

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1102

AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-3-1-0.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.4. As used in this chapter, "newspaper" refers to a newspaper:

(1) that:

(~~1~~) (A) is a daily, weekly, semiweekly, or triweekly newspaper of general circulation;

(~~2~~) (B) has been published for at least three (3) consecutive years in the same city or town;

(~~3~~) (C) has been entered, authorized, and accepted by the United States Postal Service for at least three (3) consecutive years asailable matter of the periodicals class; and

(~~4~~) (D) has at least fifty percent (50%) of all copies circulated paid for by subscribers or other purchasers at a rate that is not nominal; or

(2) that:

(A) is a daily, weekly, semiweekly, or triweekly newspaper of general circulation;

(B) has been entered, authorized, and accepted by the United States Postal Service asailable matter of the periodicals class;

(C) has at least fifty percent (50%) of all copies circulated paid for by subscribers or other purchasers at a rate that

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is not nominal; and

(D) meets the greater of the following conditions:

(i) The newspaper's paid circulation during the preceding year is equal to at least fifty percent (50%) of the paid circulation for the largest newspaper with a periodicals class permit located in the county in which the newspaper is published, based on the average paid or requested circulation for the preceding twelve (12) months reported in the newspaper's United States Postal Service Statement of Ownership published by the newspaper in October of each year or based on the newspaper's initial application for a permit from the United States Postal Service.

(ii) The newspaper has an average daily paid circulation of one thousand five hundred (1,500) based on the average paid or requested circulation for the preceding twelve (12) months reported in the newspaper's United States Postal Service Statement of Ownership published by the newspaper in October of each year or based on the newspaper's initial application for a permit from the United States Postal Service.

SECTION 2. IC 5-3-1-2.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2.3. **(a)** A notice published in accordance with this chapter or any other Indiana statute is valid even though the notice contains errors or omissions, as long as:

- (1) a reasonable person would not be misled by the error or omission; and
- (2) the notice is in substantial compliance with the time and publication requirements applicable under this chapter or any other Indiana statute under which the notice is published.

(b) This subsection applies if:

- (1) a county auditor publishes a notice concerning a tax rate, tax levy, or budget of a political subdivision in the county;**
- (2) the notice contains an error or omission that causes the notice to inaccurately reflect the tax rate, tax levy, or budget actually proposed or fixed by the political subdivision; and**
- (3) the county auditor is responsible for the error or omission described in subdivision (2).**

Notwithstanding any other law, the department of local government finance may correct an error or omission described in subdivision (2) at any time. If an error or omission described in subdivision (2) occurs, the county auditor must publish, at the

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county's expense, a notice containing the correct tax rate, tax levy, or budget as proposed or fixed by the political subdivision.

SECTION 3. IC 5-11-10-1, AS AMENDED BY P.L.127-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) This section applies to the state and its political subdivisions. However, this section does not apply to the following:

- (1) The state universities.
- (2) Ivy Tech Community College of Indiana.
- (3) A municipality (as defined in IC 36-1-2-11).
- (4) A county.
- (5) An airport authority operating in a consolidated city.
- (6) A capital improvements board of managers operating in a consolidated city.
- (7) A board of directors of a public transportation corporation operating in a consolidated city.
- (8) A municipal corporation organized under IC 16-22-8-6.
- (9) A public library.
- (10) A library services authority.
- (11) A hospital organized under IC 16-22 or a hospital organized under IC 16-23.
- (12) A school corporation (as defined in IC 36-1-2-17).
- (13) A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).
- (14) A municipally owned utility (as defined in IC 8-1-2-1).
- (15) A board of an airport authority under IC 8-22-3.
- (16) A conservancy district.
- (17) A board of aviation commissioners under IC 8-22-2.
- (18) A public transportation corporation under IC 36-9-4.
- (19) A commuter transportation district under IC 8-5-15.
- (20) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).
- (21) A county building authority under IC 36-9-13.
- (22) A soil and water conservation district established under IC 14-32.
- (23) The northwestern Indiana regional planning commission established by IC 36-7-7.6-3.**

(b) No warrant or check shall be drawn by a disbursing officer in payment of any claim unless the same has been fully itemized and its correctness properly certified to by the claimant or some authorized person in the claimant's behalf, and filed and allowed as provided by law.

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(c) The certificate provided for in subsection (b) is not required for:

- (1) claims rendered by a public utility for electric, gas, steam, water, or telephone services, the charges for which are regulated by a governmental body;
- (2) a warrant issued by the auditor of state under IC 4-13-2-7(b);
- (3) a check issued by a special disbursing officer under IC 4-13-2-20(g); or
- (4) a payment of fees under IC 36-7-11.2-49(b) or IC 36-7-11.3-43(b).

(d) The disbursing officer shall issue checks or warrants for all claims which meet all of the requirements of this section. The disbursing officer does not incur personal liability for disbursements:

- (1) processed in accordance with this section; and
- (2) for which funds are appropriated and available.

(e) The certificate provided for in subsection (b) must be in the following form:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

SECTION 4. IC 5-11-10-1.6, AS AMENDED BY P.L.1-2005, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.6. (a) As used in this section, "governmental entity" refers to any of the following:

- (1) A municipality (as defined in IC 36-1-2-11).
- (2) A school corporation (as defined in IC 36-1-2-17), including a school extracurricular account.
- (3) A county.
- (4) A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).
- (5) A municipally owned utility that is subject to IC 8-1.5-3 or IC 8-1.5-4.
- (6) A board of an airport authority under IC 8-22-3.
- (7) A board of aviation commissioners under IC 8-22-2.
- (8) A conservancy district.
- (9) A public transportation corporation under IC 36-9-4.
- (10) A commuter transportation district under IC 8-5-15.
- (11) The state.
- (12) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).
- (13) A levee authority established under IC 14-27-6.
- (14) A county building authority under IC 36-9-13.
- (15) A soil and water conservation district established under

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IC 14-32.

(16) The northwestern Indiana regional planning commission established by IC 36-7-7.6-3.

(b) As used in this section, "claim" means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim.

This subsection does not prohibit a school corporation, with prior approval of the board having jurisdiction over allowance of payment of the claim, from making payment in advance of receipt of services as allowed by guidelines developed under IC 20-20-13-10. **This subsection does not prohibit a municipality from making meal expense advances to a municipal employee who will be traveling on official municipal business if the municipal fiscal body has adopted an ordinance allowing the advance payment, specifying the maximum amount that may be paid in advance, specifying the required invoices and other documentation that must be submitted by the municipal employee, and providing for reimbursement from the wages of the municipal employee if the municipal employee does not submit the required invoices and documentation.**

(d) The fiscal officer of a governmental entity shall issue checks or warrants for claims by the governmental entity that meet all of the requirements of this section. The fiscal officer does not incur personal liability for disbursements:

- (1) processed in accordance with this section; and
- (2) for which funds are appropriated and available.

(e) The certification provided for in subsection (c)(4) must be on a form prescribed by the state board of accounts.

SECTION 5. IC 5-11-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Every state, county, city, town, township, or school official, elective or appointive, who is the head of or in charge of any office, department, board, or

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commission of the state or of any county, city, town, or township, and every state, county, city, town, or township employee or agent who is the head of, or in charge of, or the executive officer of any department, bureau, board, or commission of the state, county, city, town, or township, and every executive officer by whatever title designated, who is in charge of any state educational institution or of any other state, county, or city institution, shall during the month of January of each year prepare, make, and sign a written or printed certified report, correctly and completely showing the names and **business** addresses of each and all officers, employees, and agents in their respective offices, departments, boards, commissions, and institutions, and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts. However, no more than one (1) report covering the same officers, employees, and agents need be made from the state or any county, city, town, township, or school unit in any one year.

SECTION 6. IC 5-11-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) As used in this section, "official" includes the following:

- (1) An elected official who is entitled to attend a conference under this section.
- (2) An individual elected to an office who is entitled to attend a conference under this section.
- (3) A deputy or an assistant to an elected official who is entitled to attend a conference under this section.

(b) The state board of accounts shall annually call a conference of each of the following:

- (1) County auditors and auditors elect.
- (2) County treasurers and treasurers elect.
- (3) Circuit court clerks and circuit court clerks elect.

(c) Each of the conferences called under subsection (b):

- (1) must be held at a time and place fixed by the state examiner;
- (2) may be held statewide or by district; and
- (3) may not continue for longer than three (3) days in any one (1) year.

(d) The following training must be provided at each conference called under subsection (b):

- (1) The proper use of forms prescribed by the state board of accounts.
- (2) The keeping of the records of the respective offices.
- (3) At the conference for county treasurers and treasurers elect, investment training by the following:

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- (A) The treasurer of state.
- (B) The board for depositories.
- (C) Any other person the state examiner considers to be competent in providing investment training.
- (4) Any other training that, in the judgment of the state examiner, will result in the better conduct of the public business.
- (e) The state examiner may hold other conferences for:
 - (1) the officials described in subsection (b); or
 - (2) other county, city, or township officers;
 whenever in the judgment of the state examiner conferences are necessary.
- (f) Whenever a conference is called by the state board of accounts under this section, an elected official, at the direction of the state examiner, may require the attendance of:
 - (1) each of the elected official's appointed and acting chief deputies or chief assistants; and
 - (2) if the number of deputies or assistants employed:
 - (A) does not exceed three (3), one (1) of the elected official's appointed and acting deputies or assistants; or
 - (B) exceeds three (3), two (2) of the elected official's duly appointed and acting deputies or assistants.
- (g) Each official **representing a unit and** attending any conference under this section shall be allowed **the following**:
 - (1) **A sum for mileage at a rate determined by the fiscal body of the unit the official represents** for each mile necessarily traveled in going to and returning from the conference by the most expeditious route. ~~a sum for mileage at a rate determined by the fiscal body of the unit the official represents. Each official shall also be allowed; while attending a conference called under this section;~~ **Regardless of the duration of the conference, only one (1) mileage reimbursement shall be allowed to the official furnishing the conveyance even if the official transports more than one (1) person.**
 - (2) An allowance for lodging for each night preceding conference attendance in an amount equal to the single room rate. However, lodging expense, in the case of a one (1) day conference, shall only be allowed for persons who reside fifty (50) miles or farther from the conference location.
 - (3) ~~Each official shall be reimbursed;~~ **Reimbursement of an official**, in an amount determined by the fiscal body of the unit the official represents, for meals purchased while attending a conference called under this section. ~~Regardless of the duration~~

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~~of the conference, only one (1) mileage reimbursement shall be allowed to the official furnishing the conveyance although the official transports more than one (1) person.~~

(h) The state board of accounts shall certify the number of days of attendance and the mileage for each conference to each official attending any conference under this section.

(i) All payments of mileage and lodging shall be made by the proper disbursing officer in the manner provided by law on a duly verified claim or voucher to which shall be attached the certificate of the state board of accounts showing the number of days attended and the number of miles traveled. All payments shall be made from the general fund from any money not otherwise appropriated and without any previous appropriation being made therefor.

(j) A claim for reimbursement under this section may not be denied by the body responsible for the approval of claims if the claim complies with IC 5-11-10-1.6 and this section.

SECTION 7. IC 6-1.1-12.4-3, AS ADDED BY P.L.193-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)]: Sec. 3. (a) For purposes of this section, an increase in the assessed value of personal property is determined in the same manner that an increase in the assessed value of new manufacturing equipment is determined for purposes of IC 6-1.1-12.1.

(b) This subsection applies only to personal property that the owner purchases after March 1, 2005, and before March 2, 2009. Except as provided in sections 4, 5, and 8 of this chapter, an owner that purchases personal property other than inventory (as defined in 50 IAC 4.2-5-1, as in effect on January 1, 2005) that:

- (1) was never before used by its owner for any purpose in Indiana; and
- (2) creates or retains employment;

is entitled to a deduction from the assessed value of the personal property.

(c) The deduction under this section is first available in the year in which the increase in assessed value resulting from the purchase of the personal property occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to personal property located in a county for a particular year equals the lesser of:

- (1) two million dollars (\$2,000,000); or
- (2) the product of:
 - (A) the increase in assessed value resulting from the purchase

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of the personal property; multiplied by

(B) the percentage from the following table:

YEAR OF DEDUCTION	PERCENTAGE
1st	75%
2nd	50%
3rd	25%

(d) If an appeal of an assessment is approved that results in a reduction of the assessed value of the personal property, the amount of the deduction is adjusted to reflect the percentage decrease that results from the appeal.

(e) A property owner must claim the deduction under this section on the owner's annual personal property tax return. The township assessor shall:

- (1) identify the personal property eligible for the deduction to the county auditor; and
- (2) inform the county auditor of the deduction amount.

(f) The county auditor shall:

- (1) make the deductions; and
- (2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

(g) The deduction under this section does not apply to a facility listed in IC 6-1.1-12.1-3(e).

SECTION 8. IC 6-1.1-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. (a) The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

- (1) The fiscal body of a consolidated city and county, not later than the last meeting of the fiscal body in September.
- (2) The fiscal body of a ~~second class city~~, **municipality**, not later than September 30.
- (3) The board of school trustees of a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000), not later than:
 - (A) the time required in section 5.6(b) of this chapter; or
 - (B) September 20 if a resolution adopted under section 5.6(d) of this chapter is in effect.
- (4) The proper officers of all other political subdivisions, not later than September 20.

Except in a consolidated city and county and in a second class city, the

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public hearing required by section 3 of this chapter must be completed at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

(d) This subsection does not apply to a school corporation. Each year at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, a political subdivision shall file with the county auditor:

- (1) a statement of the tax rate and levy fixed by the political subdivision for the ensuing budget year;
- (2) two (2) copies of the budget adopted by the political subdivision for the ensuing budget year; and
- (3) two (2) copies of any findings adopted under subsection (c).

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting.

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

(f) If a fiscal body does not fix the budget, tax rate, and tax levy of the political subdivisions for the ensuing budget year as required under this section, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

SECTION 9. IC 6-1.1-17-16, AS AMENDED BY P.L.228-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund,

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tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget by fund, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in subsections (j) and (k), before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under this section, the department must hold a public hearing on the budget, tax rate, and tax levy. The department of local government finance shall hold the hearing in the county in which the political subdivision is located. The department of local government finance may consider the budgets by fund, tax rates, and tax levies of several political subdivisions at the same public hearing. At least five (5) days before the date fixed for a public hearing, the department of local government finance shall give notice of the time and place of the hearing and of the budgets by fund, levies, and tax rates to be considered at the hearing. The department of local government finance shall publish the notice in two (2) newspapers of general circulation published in the county. However, if only one (1) newspaper of general circulation is published in the county, the department of local government finance shall publish the notice in that newspaper.

(d) Except as provided in subsection (i), IC 6-1.1-19, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. **However, if the department of local government finance determines that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the political subdivision, the maximum amount by which the department may increase the tax rate, tax levy, or budget is the amount originally fixed by the political subdivision, and not the amount that was incorrectly published or omitted in the notice described in IC 5-3-1-2.3(b).** The department of local government finance shall give the political subdivision written notification specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has ~~one (1) week~~ **two (2) weeks** from the date the political subdivision receives the notice to provide a written response to the department of local government finance's Indianapolis

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office. ~~specifying how to make the required reductions in the amount budgeted by fund. The response may include budget reductions, reallocation of levies, a revision in the amount of miscellaneous revenues, and further review of any other item about which, in the view of the political subdivision, the department is in error.~~ The department of local government finance shall ~~make reductions~~ **consider the adjustments** as specified in the political subdivision's response if the response is provided as required by this subsection ~~and sufficiently specifies all necessary reductions. The department of local government finance may make a revision; a reduction; or an increase in a political subdivision's budget only by fund: and shall deliver a final decision to the political subdivision.~~

(e) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

- (1) no bonds of the building corporation are outstanding; or
- (2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

- (1) the county auditor;
- (2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;
- (3) the first ten (10) taxpayers whose names appear on a petition filed under section 13 of this chapter; and
- (4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

- (1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.
- (2) If the department acts under an appeal initiated by taxpayers under section 13 of this chapter, a taxpayer who signed the petition under that section.
- (3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.
- (4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political

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subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15th of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the department of local government finance may increase a political subdivision's tax levy to an amount that exceeds the amount originally fixed by the political subdivision if the increase is:

- (1) requested in writing by the officers of the political subdivision;
- (2) either:
 - (A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or
 - (B) results from an inadvertent mathematical error made in determining the levy; and
- (3) published by the political subdivision according to a notice provided by the department.

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.

(k) The department of local government finance may hold a hearing under subsection (c) only if the notice required in IC 6-1.1-17-12 is published at least ten (10) days before the date of the hearing.

SECTION 10. IC 6-1.1-22-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 8. (a) The county treasurer shall either:

- (1) mail to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book a statement of current and delinquent taxes and special assessments; or
- (2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any

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property taxes or special assessments, as shown on the tax duplicate or special assessment records a statement of current and delinquent taxes and special assessments.

(b) The county treasurer may include the following in the statement:

(1) An itemized listing for each property tax levy, including:

(A) the amount of the tax rate;

(B) the entity levying the tax owed; ~~and~~

(C) the dollar amount of the tax owed; **and**

(D) the dollar amount of each special assessment owed.

(2) Information designed to inform the taxpayer or mortgagee clearly and accurately of the manner in which the taxes billed in the tax statement are to be used.

A form used and the method by which the statement and information, if any, are transmitted must be approved by the state board of accounts. The county treasurer may mail or transmit the statement and information, if any, one (1) time each year at least fifteen (15) days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment.

(c) All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

(d) Before July 1, 2004, the department of local government finance shall designate five (5) counties to participate in a pilot program to implement the requirements of subsection (e). The department shall immediately notify the county treasurer, county auditor, and county assessor in writing of the designation under this subsection. The legislative body of a county not designated for participation in the pilot program may adopt an ordinance to implement the requirements of subsection (e). The legislative body shall submit a copy of the ordinance to the department of local government finance, which shall monitor the county's implementation of the requirements of subsection (e) as if the county were a participant in the pilot program. The requirements of subsection (e) apply:

(1) only in:

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(A) a county designated to participate in a pilot program under this subsection, for property taxes first due and payable after December 31, 2004, and before January 1, 2008; or

(B) a county adopting an ordinance under this subsection, for property taxes first due and payable after December 31, 2003, or December 31, 2004 (as determined in the ordinance), and before January 1, 2008; and

(2) in all counties for taxes first due and payable after December 31, 2007.

(e) Subject to subsection (d), regardless of whether a county treasurer transmits a statement of current and delinquent taxes and special assessments to a person liable for the taxes under subsection (a)(1) or to a mortgagee under subsection (a)(2), the county treasurer shall mail the following information to the last known address of each person liable for the property taxes or special assessments or to the last known address of the most recent owner shown in the transfer book. The county treasurer shall mail the information not later than the date the county treasurer transmits a statement for the property under subsection (a)(1) or (a)(2). The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included on the form. The information that must be provided is the following:

(1) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.

(2) A comparison showing any change in the assessed valuation for the property as compared to the previous year.

(3) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:

(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.

(4) An explanation of the following:

(A) The homestead credit and all property tax deductions.

(B) The procedure and deadline for filing for the homestead credit and each deduction.

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(C) The procedure that a taxpayer must follow to:

- (i) appeal a current assessment; or
- (ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(D) The forms that must be filed for an appeal or a petition described in clause (C).

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(5) A checklist that shows:

- (A) the homestead credit and all property tax deductions; and
- (B) whether the homestead credit and each property tax deduction applies in the current statement for the property transmitted under subsection (a)(1) or (a)(2).

(f) The information required to be mailed under subsection (e) must be simply and clearly presented and understandable to the average individual.

(g) A county that incurs:

- (1) initial computer programming costs directly related to implementation of the requirements of subsection (e); or
- (2) printing costs directly related to mailing information under subsection (e);

shall submit an itemized statement of the costs to the department of local government finance for reimbursement from the state. The treasurer of state shall pay a claim approved by the department of local government finance and submitted under this section on a warrant of the auditor of state. However, the treasurer of state may not pay any additional claims under this subsection after the total amount of claims paid reaches fifty thousand dollars (\$50,000).

SECTION 11. IC 6-1.1-22-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 11. A holder of a lien of record on any real property on which taxes are delinquent may pay the delinquent taxes, penalties, and cost. The amount so paid is an additional lien on the real property in favor of the lienholder and is collectible, with interest at ~~six~~ **ten** percent (~~6%~~) (**10%**) per annum from the time of payment, in the same manner as the original lien.

SECTION 12. IC 6-1.1-22-13.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 13.5. (a) A political subdivision acquires a lien on each tract of real property for:**

- (1) all special assessments levied against the tract, including the land under an improvement or appurtenance described in IC 6-1.1-2-4(b); and**

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(2) all subsequent penalties and costs resulting from the special assessments.

The lien attaches on the installment due date of the year for which the special assessments are certified for collection. The lien is not affected by any sale or transfer of the tract, including the land under an improvement or appurtenance described in IC 6-1.1-2-4(b), and including the sale, exchange, or lease of the tract under IC 36-1-11.

(b) The lien of the political subdivision for special assessments, penalties, and costs continues for ten (10) years from May 10 of the year in which special assessments first become due. However, if any proceeding is instituted to enforce the lien within the ten (10) year period, the limitation is extended, if necessary, to permit the termination of the proceeding.

(c) The lien of the state inures to political subdivisions that impose the special assessments on which the lien is based, and the lien is superior to all other liens except the lien of the state for property taxes.

(d) A political subdivision described in subsection (c) may institute a civil suit against a person or an entity liable for delinquent special assessments. The political subdivision may, after obtaining a judgment, collect:

- (1) delinquent special assessments;
- (2) penalties due to the delinquency; and
- (3) costs and expenses incurred in collecting the delinquent special assessments, including reasonable attorney's fees and court costs approved by a court with jurisdiction.

SECTION 13. IC 6-1.1-24-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. (a) On or before July 1 of each year **or fifty-one (51) days after the tax payment due date**, the county treasurer **(or county executive, in the case of property described in subdivision (2))** shall certify to the county auditor a list of real property on which any of the following exist:

- (1) **In the case of real property other than real property described in subdivision (2)**, any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before are delinquent as determined under IC 6-1.1-37-10.
- (2) **In the case of real property for which a county executive has certified to the county auditor that the real property is:**
 - (A) vacant; or

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(B) abandoned;

any property taxes or special assessments from the prior year's fall installment or before that are delinquent as determined under IC 6-1.1-37-10. The county executive must make a certification under this subdivision not later than sixty-one (61) days before the earliest date on which application for judgment and order for sale may be made.

~~(2)~~ (3) Any unpaid costs are due under section 2(b) of this chapter from a prior tax sale.

(b) The county auditor shall maintain a list of all real property eligible for sale. Unless the taxpayer pays to the county treasurer the amounts in subsection (a), the taxpayer's property shall remain on the list. The list must:

- (1) describe the real property by parcel number and common address, if any;
- (2) for a tract or item of real property with a single owner, indicate the name of the owner; and
- (3) for a tract or item with multiple owners, indicate the name of at least one (1) of the owners.

(c) Except as otherwise provided in this chapter, the real property so listed is eligible for sale in the manner prescribed in this chapter.

(d) Not later than fifteen (15) days after the date of the county treasurer's certification under subsection (a), the county auditor shall mail by certified mail a copy of the list described in subsection (b) to each mortgagee who requests from the county auditor by certified mail a copy of the list. Failure of the county auditor to mail the list under this subsection does not invalidate an otherwise valid sale.

SECTION 14. IC 6-1.1-24-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1.5. ~~(a) This section applies to a county having a consolidated city.~~

(a) As used in this chapter and IC 6-1.1-25, "county executive" means the following:

- (1) In a county not containing a consolidated city, the county executive or the county executive's designee.**
- (2) In a county containing a consolidated city, the executive of the consolidated city.**

(b) The ~~metropolitan development commission shall~~ **county executive may** designate the real property on the list prepared under section 4.5(b) of this chapter that is eligible for listing on the list prepared under subsection ~~(d)~~ **(c)**.

~~(c) The commission may designate real property for inclusion on the list if the commission finds that the real property:~~

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(1) is an unsafe premises as determined under (IC 36-7-9) and is subject to:

(A) an order issued under IC 36-7-9; or

(B) a notice of violation issued by the county's health and hospital corporation under IC 16-22-8;

(2) is not being used as a residence or for a business enterprise; and

(3) is suitable for rehabilitation or development that will benefit or serve low or moderate income families.

~~(d)~~ (c) The ~~commission~~ **county executive** shall prepare a list of properties designated under subsection (b) and certify the list to the county auditor no later than sixty-one (61) days prior to the earliest date on which application for judgment and order for sale may be made.

~~(e)~~ (d) Upon receiving the list described in subsection ~~(d)~~; (c), the county auditor shall:

(1) prepare a list of the properties certified by the commission; and

(2) delete any property described in that list from the delinquent tax list prepared under section 1 of this chapter.

~~(f)~~ If the county auditor receives an owner's affidavit under section 4.1 of this chapter, the auditor shall, upon determining that the information contained in the affidavit is correct, remove the property from the list prepared under subsection (e) and restore the property to the list prepared under section 1 of this chapter.

SECTION 15. IC 6-1.1-24-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. (a) In addition to the delinquency list required under section 1 of this chapter, each county auditor shall prepare a notice. The notice shall contain the following:

(1) A list of tracts or real property eligible for sale under this chapter.

(2) A statement that the tracts or real property included in the list will be sold at public auction to the highest bidder, subject to the right of redemption.

(3) A statement that the tracts or real property will not be sold for an amount which is less than the sum of:

(A) the delinquent taxes and special assessments on each tract or item of real property;

(B) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, whether or not they are delinquent;

(C) all penalties due on the delinquencies;

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(D) an amount prescribed by the county auditor that equals the sum of:

- (i) **the greater of** twenty-five dollars (\$25) ~~for or~~ postage and publication costs; and
- (ii) any other actual costs incurred by the county that are directly attributable to the tax sale; and

(E) any unpaid costs due under subsection (b) from a prior tax sale.

(4) A statement that a person redeeming each tract or item of real property after the sale must pay:

(A) one hundred ten percent (110%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed not more than six (6) months after the date of sale;

(B) one hundred fifteen percent (115%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed more than six (6) months after the date of sale;

(C) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid; and

(D) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(6) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(7) A statement indicating:

(A) the name of the owner of each tract or item of real property with a single owner; or

(B) the name of at least one (1) of the owners of each tract or

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item of real property with multiple owners.

(8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement:

- (i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and
- (ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire.

(B) A statement that any defense to the application for judgment must be filed with the court before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

(9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

(10) A statement that the sale will take place at the times and dates designated in the notice. ~~Except as provided in section 5-5 of this chapter,~~ The sale must take place on or after August 1 and before November 1 of each year.

(11) A statement that a person redeeming each tract or item after the sale must pay the costs described in IC 6-1.1-25-2(e).

(12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.

(13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

(14) If a determination has been made under subsection (d), a statement that tracts or items will be sold together.

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(b) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (a)(3)(D) and those costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

(c) The amount of unpaid costs entered upon a tax duplicate under subsection (b) must be paid no later than the date upon which the next installment of real estate taxes for the property is due. Unpaid costs entered upon a tax duplicate under subsection (b) are a lien against the property described in the tax duplicate, and amounts remaining unpaid on the date the next installment of real estate taxes is due may be collected in the same manner that delinquent property taxes are collected.

(d) The county auditor and county treasurer may establish the condition that a tract or item will be sold and may be redeemed under this chapter only if the tract or item is sold or redeemed together with one (1) or more other tracts or items. Property may be sold together only if the tract or item is owned by the same person.

SECTION 16. IC 6-1.1-24-2.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2.2. ~~(a)~~ This section applies to a county having a consolidated city.

~~(b)~~ Whenever a notice required under section 2 of this chapter includes real property on the list prepared under ~~section 1.5(e)~~ **section 1(a)(2) or 1.5(d)** of this chapter, the notice must also contain a statement that:

(1) the property is on the alternate list prepared under ~~section 1.5(e)~~ **section 1(a)(2) or 1.5(d)** of this chapter;

(2) the owner of the property may file an affidavit with the county auditor no later than twenty (20) days following the date of the notice indicating that the residential structure located on the property is:

(A) habitable under state law and any ordinance of the political subdivision where the property is located; and

(B) has been occupied as a permanent residence for the six (6) month period preceding the date of the notice;

(3) if the auditor determines that the statements made in the affidavit are correct, the auditor will remove the property from the list prepared under ~~section 1.5(e)~~ of this chapter and restore the parcel to the delinquent tax list prepared under ~~section 1~~ of this chapter;

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~~(4)~~ **(2)** if the property is not redeemed within one hundred twenty (120) days after the date of sale, the county auditor shall execute and deliver a deed for the property to the purchaser or purchaser's assignee; and

~~(5)~~ **(3)** if the property is offered for sale and a bid is not received for at least the amount required under section 5 of this chapter, the county auditor may execute and deliver a deed for the property to the ~~purchasing agency under IC 36-7-17~~, **county executive**, subject to IC 6-1.1-25.

SECTION 17. IC 6-1.1-24-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) When real property is eligible for sale under this chapter, the county auditor shall post a copy of the notice required by sections 2 and 2.2 of this chapter at a public place of posting in the county courthouse or in another public county building at least twenty-one (21) days before the earliest date of application for judgment. In addition, the county auditor shall, in accordance with IC 5-3-1-4, publish the notice required in sections 2 and 2.2 of this chapter once each week for three (3) consecutive weeks before the earliest date on which the application for judgment may be made. The expenses of this publication shall be paid out of the county general fund without prior appropriation.

(b) At least twenty-one (21) days before the application for judgment is made, the county auditor shall mail a copy of the notice required by sections 2 and 2.2 of this chapter by certified mail, return receipt requested, to any mortgagee who annually requests, by certified mail, a copy of the notice. However, the failure of the county auditor to mail this notice or its nondelivery does not affect the validity of the judgment and order.

(c) **The notices mailed under this section and** the advertisement published under section 4(b) of this chapter ~~is are~~ considered sufficient notice of the intended application for judgment and of the sale of real property under the order of the court.

SECTION 18. IC 6-1.1-24-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. (a) Not less than twenty-one (21) days before the earliest date on which the application for judgment and order for sale of real property eligible for sale may be made, the county auditor shall send a notice of the sale by certified mail to:

- (1) the owner of record of real property with a single owner; or
- (2) to at least one (1) of the owners of real property with multiple owners;

at the last address of the owner for the property as indicated in the

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records of the county auditor. The county auditor shall prepare the notice in the form prescribed by the state board of accounts. The notice must set forth the key number, if any, of the real property and a street address, if any, or other common description of the property other than a legal description. The notice must include the statement set forth in section 2(a)(4) of this chapter. The county auditor must present proof of this mailing to the court along with the application for judgment and order for sale. Failure by an owner to receive or accept the notice required by this section does not affect the validity of the judgment and order. The owner of real property shall notify the county auditor of the owner's correct address. The notice required under this section is considered sufficient if the notice is mailed to the address required by this section.

(b) ~~This subsection applies to a county having a consolidated city.~~ In addition to the notice required under subsection (a) for real property on the list prepared under ~~section 1.5(c)~~ **section 1(a)(2) or 1.5(d)** of this chapter, the county auditor shall prepare and mail the notice required under section 2.2 of this chapter no later than August 15 in the year in which the property is to be sold under this chapter.

(c) On or before the day of sale, the county auditor shall list, on the tax sale record required by IC 6-1.1-25-8, all properties that will be offered for sale.

SECTION 19. IC 6-1.1-24-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4.6. (a) On the day on which the application for judgment and order for sale is made, the county treasurer shall report to the county auditor all of the tracts and real property listed in the notice required by section 2 of this chapter upon which all delinquent taxes and special assessments, all penalties due on the delinquencies, any unpaid costs due from a prior tax sale, and the amount due under section 2(a)(3)(D) of this chapter have been paid up to that time. The county auditor, assisted by the county treasurer, shall compare and correct the list, removing tracts and real property for which all delinquencies have been paid, and shall make and subscribe an affidavit in substantially the following form:

State of Indiana)
) ss
County of _____)

I, _____, treasurer of the county of _____, and
I, _____, auditor of the county of _____, do
solemnly affirm that the foregoing is a true and correct list of the real
property within the county of _____ upon which have remained
delinquent uncollected taxes, special assessments, penalties and costs,

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as required by law for the time periods set forth, to the best of my knowledge and belief.

County Treasurer

County Auditor

Dated _____

I, _____, auditor of the county of _____, do solemnly affirm that notice of the application for judgment and order for sale was mailed via certified mail to the owners on the foregoing list, and publication made, as required by law.

County Auditor

Dated _____

(b) Application for judgment and order for sale shall be made as one (1) cause of action to any court of competent jurisdiction jointly by the county treasurer and county auditor. The application shall include the **names of at least one (1) of the owners of each tract or item of real property, the dates of mailing of the notice required by sections 2 and 2.2 of this chapter, the dates of publication required by section 3 of this chapter, and the affidavit and corrected list as provided in subsection (a).**

(c) Any defense to the application for judgment and order of sale shall be filed with the court on or before the earliest date on which the application may be made as set forth in the notice required under section 2 of this chapter.

SECTION 20. IC 6-1.1-24-4.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4.7. (a) No later than fifteen (15) days before the advertised date of the tax sale, the court shall examine the list of tracts and real property as provided under section 4.6 of this chapter. No later than three (3) days before the advertised date of the tax sale, the court shall enter judgment for those taxes, special assessments, penalties, and costs that appear to be due. This judgment is considered as a judgment against each tract or item of real property for each kind of tax, special assessment, penalty, or cost included in it. The affidavit provided under section 4.6 of this chapter is prima facie evidence of delinquency for purposes of proceedings under this section. The court shall also direct the clerk to prepare and enter an order for the sale of those tracts and real property against which judgment is entered.

(b) Not later than seven (7) days before the advertised date of the

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tax sale, the court shall conduct a hearing. At the hearing, the court shall hear any defense offered by any person interested in any of the tracts or items of real property to the entry of judgment against them, hear and determine the matter in a summary manner, without pleadings, and enter its judgment. The court shall enter a judgment under this subsection not later than three (3) days before the advertised date of the tax sale. The objection must be in writing, and no person may offer any defense unless the writing specifying the objection is accompanied by an original or a duplicate tax receipt or other supporting documentation. At least seven (7) days before the date set for the hearing, notice of the date, time, and place of the hearing shall be provided by the court to any person filing a defense to the application for judgment and order of sale.

(c) If judgment is entered in favor of the respondent under these proceedings or if judgment is not entered for any particular tract, part of a tract, or items of real property because of an unresolved objection made under subsection (b), the court shall remove those tracts, parts of tracts, or items of real property from the list of tracts and real property provided under section 4.6 of this chapter.

(d) A judgment and order for sale shall contain the final listing of affected properties **and the name of at least one (1) of the owners of each tract or item of real property**, and shall substantially follow this form:

"Whereas, notice has been given of the intended application for a judgment against these tracts and real property, and no sufficient defense has been made or cause has been shown why judgment should not be entered against these tracts for taxes, and real property special assessments, penalties, and costs due and unpaid on them, therefore it is considered by the court that judgment is hereby entered against the below listed tracts and real property in favor of the state of Indiana for the amount of taxes, special assessments, penalties, and costs due severally on them; and it is ordered by the court that the several tracts or items of real property be sold as the law directs. Payments for taxes, special assessments, penalties, and costs made after this judgment but before the sale shall reduce the judgment accordingly."

(e) The order of the court constitutes the list of tracts and real property that shall be offered for sale under section 5 of this chapter.

(f) The court that enters judgment under this section shall retain exclusive continuing supervisory jurisdiction over all matters and claims relating to the tax sale.

(g) No error or informality in the proceedings of any of the officers

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connected with the assessment, levying, or collection of the taxes that does not affect the substantial justice of the tax itself shall invalidate or in any manner affect the tax or the assessment, levying, or collection of the tax.

(h) Any irregularity, informality, omission, or defective act of one (1) or more officers connected with the assessment or levying of the taxes may be, in the discretion of the court, corrected, supplied, and made to conform to law by the court, or by the officer (in the presence of the court).

SECTION 21. IC 6-1.1-24-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 5. (a) When a tract or an item of real property is subject to sale under this chapter, it must be sold in compliance with this section.

(b) The sale must:

- (1) be held at the times and place stated in the notice of sale; and
- (2) ~~except as provided in section 5-5 of this chapter;~~ not extend beyond ~~October 31 of the year of sale;~~ **one hundred seventy-one (171) days after the list containing the tract or item of real property is certified to the county auditor.**

(c) A tract or an item of real property may not be sold under this chapter to collect:

- (1) delinquent personal property taxes; or
- (2) taxes or special assessments which are chargeable to other real property.

(d) A tract or an item of real property may not be sold under this chapter if all the delinquent taxes, penalties, and special assessments on the tract or an item of real property and the amount prescribed by section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the county due to the sale, are paid before the time of sale.

(e) The county treasurer shall sell the tract or real property, subject to the right of redemption, to the highest bidder at public auction. However, a tract or an item of real property may not be sold for an amount which is less than the sum of:

- (1) the delinquent taxes and special assessments on each tract or item of real property;
- (2) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, regardless of whether the taxes and special assessments are delinquent;
- (3) all penalties which are due on the delinquencies;
- (4) the amount prescribed by section 2(a)(3)(D) of this chapter reflecting the costs incurred by the county due to the sale;

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(5) any unpaid costs which are due under section 2(b) of this chapter from a prior tax sale; and

(6) other reasonable expenses of collection, including title search expenses, uniform commercial code expenses, and reasonable attorney's fees incurred by the date of the sale.

(f) For purposes of the sale, it is not necessary for the county treasurer to first attempt to collect the real property taxes or special assessments out of the personal property of the owner of the tract or real property.

(g) The county auditor shall serve as the clerk of the sale.

(h) Real property certified to the county auditor under section 1(2) of this chapter must be offered for sale in a different phase of the tax sale or on a different day of the tax sale than the phase or day during which other real property is offered for sale.

SECTION 22. IC 6-1.1-24-5.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 5.3. (a) This section applies to the following:

(1) A person who:

(A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises in the county in which a sale is held under this chapter; and

(B) is subject to an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5) regarding which the conditions set forth in IC 36-7-9-10(a)(1) through IC 36-7-9-10(a)(4) exist.

(2) A person who:

(A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises in the county in which a sale is held under this chapter; and

(B) is subject to an order issued under IC 36-7-9-5(a), other than an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5), regarding which the conditions set forth in IC 36-7-9-10(b)(1) through IC 36-7-9-10(b)(4) exist.

(3) A person who is the defendant in a court action brought under IC 36-7-9-18, IC 36-7-9-19, IC 36-7-9-20, IC 36-7-9-21, or IC 36-7-9-22 in the county in which a sale is held under this chapter that has resulted in a judgment in favor of the plaintiff and the unsafe condition that caused the action to be brought has not been corrected.

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(4) A person who has any of the following relationships to a person, partnership, corporation, or legal entity described in subdivisions (1), (2), or (3):

(A) A partner of a partnership.

(B) An officer or majority stockholder of a corporation.

(C) The person who directs the activities or has a majority ownership in a legal entity other than a partnership or corporation.

~~(1)~~ (5) A person who, in the county in which a sale is held under this chapter, owes:

(A) delinquent taxes;

(B) special assessments;

(C) penalties;

(D) interest; or

(E) costs directly attributable to a prior tax sale;

on a tract ~~or an item~~ of real property listed under section 1 of this chapter.

~~(2)~~ (6) A person who is an agent of the person described in subdivision ~~(1)~~; **this subsection.**

(b) A person subject to this section may not purchase a tract offered for sale under section 5 or ~~5.5~~ 6.1 of this chapter. **However, this section does not prohibit a person from bidding on a tract that is owned by the person and offered for sale under section 5 of this chapter.**

(c) The county treasurer shall require each person who will be bidding at the tax sale to sign a statement in a form substantially similar to the following:

"Indiana law prohibits a person who owes delinquent taxes, special assessments, penalties, interest, or costs directly attributable to a prior tax sale from purchasing tracts or items of real property at a tax sale. I hereby affirm under the penalties for perjury that I do not owe delinquent taxes, special assessments, penalties, interest, costs directly attributable to a prior tax sale, amounts from a final adjudication in favor of a political subdivision in this county, any civil penalties imposed for the violation of a building code or ordinance of this county, or any civil penalties imposed by a health department in this county. Further, I hereby acknowledge that any successful bid I make in violation of this statement is subject to forfeiture. In the event of forfeiture, the amount of my bid shall be applied to the delinquent taxes, special assessments, penalties, interest, costs, judgments, or

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civil penalties I owe, and a certificate will be issued to the county executive."

~~(c)~~ (d) If a person purchases a tract that the person was not eligible to purchase under this section, the sale of the property is ~~void~~: **subject to forfeiture. If the county treasurer determines or is notified not more than six (6) months after the date of the sale that the sale of the property should be forfeited**, the county treasurer shall:

(1) **notify the person in writing that the sale is subject to forfeiture if the person does not pay the amounts that the person owes within thirty (30) days of the notice;**

(2) **if the person does not pay the amounts that the person owes within thirty (30) days after the notice, apply the surplus amount of the person's bid to the person's delinquent taxes, special assessments, penalties, and interest;**

(3) **remit the amounts owed from a final adjudication or civil penalties in favor of a political subdivision to the appropriate political subdivision; and offer the real property for sale again**

(4) **notify the county auditor that the sale has been forfeited.**

Upon being notified that a sale has been forfeited, the county auditor shall issue a certificate to the county executive under section 6 of this chapter.

(e) A county treasurer may decline to forfeit a sale under this section because of inadvertence or mistake, lack of actual knowledge by the bidder, substantial harm to other parties with interests in the tract or item of real property, or other substantial reasons. If the treasurer declines to forfeit a sale, the treasurer shall:

(1) **prepare a written statement explaining the reasons for declining to forfeit the sale; and**

(2) **retain the written statement as an official record.**

(f) If a sale is forfeited under this section and the tract or item of real property is redeemed from the sale, the county auditor shall deposit the amount of the redemption into the county general fund and notify the county executive of the redemption. Upon being notified of the redemption, the county executive shall surrender the certificate to the county auditor.

SECTION 23. IC 6-1.1-24-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 6. (a) When a tract or an item of real property is offered for sale under this chapter for two (2) consecutive tax sales and an amount is not received equal to or in excess of the minimum sale price prescribed in section 5(e) of this chapter, the county executive acquires a lien in the amount of the

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minimum sale price. This lien attaches on the day after the last date on which the tract or item was offered for sale. ~~the second time.~~

(b) When a county **executive** acquires a lien under this section, the county auditor shall issue a tax sale certificate to the county **executive** in the manner provided in section 9 of this chapter. The county auditor shall date the certificate the day that the county **executive** acquires the lien. When a county **executive** acquires a certificate under this section, the county **executive** has the same rights as a purchaser. ~~However, the county shall hold the certificate for the taxing units described in subsection (c).~~

(c) When a lien is acquired by a county **executive** under this section, no money shall be paid by the county **executive**. However, each of the taxing units having an interest in the taxes on the tract shall be charged with the full amount of all delinquent taxes due them.

SECTION 24. IC 6-1.1-24-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 6.1. (a) The county ~~commissioners~~ **executive** may:

(1) by resolution, identify properties:

- (A) that are described in section 6.7(a) of this chapter; and
- (B) concerning which the county ~~commissioners desire~~ **executive desires** to offer to the public the certificates of sale acquired by the county **executive** under section 6 of this chapter;

(2) publish notice in accordance with IC 5-3-1 of the date, time, and place for a public sale of the certificates of sale that is not earlier than ninety (90) days after the last date the notice is published; and

(3) sell each certificate of sale covered by the resolution for a price that:

- (A) is less than the minimum sale price prescribed by section 5(e) of this chapter; and
- (B) includes any costs to the county **executive** directly attributable to the sale of the certificate of sale.

(b) Notice of the list of properties prepared under subsection (a) and the date, time, and place for the public sale of the certificates of sale shall be published in accordance with IC 5-3-1. The notice must:

- (1) include a description of the property by parcel number and common address;
- (2) specify that the county ~~commissioners~~ **executive** will accept bids for the certificates of sale for the price referred to in subsection (a)(3);
- (3) specify the minimum bid for each parcel;

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(4) include a statement that a person redeeming each tract or item of real property after the sale of the certificate must pay:

(A) the amount of the minimum bid under section 5(e) of this chapter for which the tract or item of real property was last offered for sale;

(B) ten percent (10%) of the amount for which the certificate is sold;

(C) the attorney's fees and costs of giving notice under IC 6-1.1-25-4.5;

(D) the costs of a title search or of examining and updating the abstract of title for the tract or item of real property; and

(E) all taxes and special assessments on the tract or item of real property paid by the purchaser after the sale of the certificate plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property; and

(5) include a statement that, if the certificate is sold for an amount more than the minimum bid under section 5(e) of this chapter for which the tract or item of real property was last offered for sale and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

SECTION 25. IC 6-1.1-24-6.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 6.3. (a) The sale of certificates of sale under this chapter must be held at the time and place stated in the notice of sale.

(b) A certificate of sale may not be sold under this chapter if the following are paid before the time of sale:

(1) All the delinquent taxes, penalties, and special assessments on the tract or an item of real property.

(2) The amount prescribed by section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the county due to the sale.

(c) The county ~~commissioners~~ **executive** shall sell the certificate of sale, subject to the right of redemption, to the highest bidder at public auction.

(d) The county auditor shall serve as the clerk of the sale.

SECTION 26. IC 6-1.1-24-6.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 6.7. ~~(a) After each tax sale conducted under this chapter, the county auditor shall prepare and deliver to the county commissioners a list of all properties:~~

~~(1) that have been offered for sale in two (2) consecutive tax sales;~~

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- (2) that have not received a bid for at least the amount required under section 5 of this chapter;
- (3) that are not subject to the provisions of section 6.5 of this chapter;
- (4) on which the county has acquired a lien under section 6 of this chapter; and
- (5) for which the county is eligible to take title.

~~(b)~~ **(a)** The county ~~commissioners shall~~ **executive may:**

- (1) by resolution, identify the property described under ~~subsection (a) section 6 of this chapter~~ that the county ~~commissioners desire~~ **executive desires** to transfer to a nonprofit corporation for use for the public good; and
- (2) set a date, time, and place for a public hearing to consider the transfer of the property to a nonprofit corporation.

~~(c)~~ **(b)** Notice of the ~~list prepared~~ **property identified** under subsection ~~(b)~~ **(a)** and the date, time, and place for the hearing on the proposed transfer of the property on the list shall be published in accordance with IC 5-3-1. The notice must include a description of the property by:

- (1) legal description; and
- (2) parcel number or street address, or both.

The notice must specify that the county ~~commissioners~~ **executive** will accept applications submitted by nonprofit corporations as provided in subsection ~~(f)~~ **(d)** and hear any opposition to a proposed transfer.

~~(d)~~ **(c)** After the hearing set under subsection ~~(b)~~ **(a)**, the county ~~commissioners~~ **executive** shall by resolution make a final determination concerning:

- (1) the properties that are to be transferred to a nonprofit corporation;
- (2) the nonprofit corporation to which each property is to be transferred; and
- (3) the terms and conditions of the transfer.

~~(e)~~ This subsection applies only to a county having a consolidated city. The resolution of the county ~~commissioners~~ prepared under subsection ~~(d)~~ shall be forwarded to the county executive for approval. The county executive may remove any properties from the list of properties to be transferred that is prepared under subsection ~~(d)~~. The final list of properties to be transferred to nonprofit corporations shall be approved by the county executive and returned to the county ~~commissioners~~.

~~(f)~~ **(d)** To be eligible to receive property under this section, a nonprofit corporation must file an application with the county

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~~commissioners~~ **executive**. The application must state the property that the corporation desires to acquire, the use to be made of the property, and the time period anticipated for implementation of the use. The application must be accompanied by documentation verifying the nonprofit status of the corporation and be signed by an officer of the corporation. If more than one (1) application for a single property is filed, the county ~~commissioners~~ **executive** shall determine which application is to be accepted based on the benefit to be provided to the public and the neighborhood and the suitability of the stated use for the property and the surrounding area.

~~(g)~~ **(e)** After the hearing set under subsection ~~(b)~~ **(a)** and the final determination of properties to be transferred under subsection ~~(d)~~ **or (e), (c)**, whichever is applicable, the county ~~commissioners~~ **executive**, on behalf of the county, shall cause all delinquent taxes, special assessments, penalties, interest, and costs of sale to be removed from the tax duplicate and the county auditor to prepare a deed transferring the property to the nonprofit corporation. The deed shall provide for:

- (1) the use to be made of the property;
- (2) the time within which the use must be implemented and maintained;
- (3) any other term and conditions that are established by the county ~~commissioners~~ **executive**; and
- (4) the reversion of the property to the county **executive** if the grantee nonprofit corporation fails to comply with the terms and conditions.

If the grantee nonprofit corporation fails to comply with the terms and conditions of the transfer and title to the property reverts to the county **executive**, the property may be retained by the county **executive** or disposed of under any of the provisions of this chapter or IC 6-1.1-24, or both.

SECTION 27. IC 6-1.1-25-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. **(a) Except as provided in subsection (b)**, when real property is redeemed and the certificate of sale is surrendered to the county auditor, the auditor shall issue a warrant to the

- ~~(1)~~ purchaser **or**
- ~~(2)~~ purchaser's assignee **or**
- ~~(3)~~ purchaser of the certificate of sale under IC 6-1.1-24;

in an amount equal to the amount received by the county treasurer for redemption.

(b) When real property sold under IC 6-1.1-24-6.1 is redeemed and the certificate of sale is surrendered to the county auditor, the

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auditor shall issue a warrant to the purchaser of the certificate of sale or the purchaser's assignee in an amount equal to:

- (1) the amount received by the county treasurer for redemption; minus**
- (2) if the certificate of sale was sold for less than the minimum bid under IC 6-1.1-24-5(e), an amount equal to the difference between the minimum bid under IC 6-1.1-24-5(e) and the amount for which the certificate was sold.**

(c) The county auditor shall indorse the certificate and preserve it as a public record. If a certificate of sale is lost and the auditor is satisfied that the certificate did exist, the county auditor may make payment in the manner provided in this section.

SECTION 28. IC 6-1.1-25-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. (a) The period for redemption of real property sold under IC 6-1.1-24 is:

- (1) one (1) year after the date of sale;
- (2) one hundred twenty (120) days after the date of sale to a purchasing agency qualified under IC 36-7-17; **or**
- (3) one hundred twenty (120) days after the date of sale of real property on the list prepared under **IC 6-1.1-24-1(a)(2) or IC 6-1.1-24-1.5. or**
- ~~(4) one hundred twenty (120) days after the date of sale under IC 6-1.1-24-5.5(b).~~

(b) The period for redemption of real property:

- (1) on which the county **executive** acquires a lien under IC 6-1.1-24-6; and
- (2) for which the certificate of sale is not sold under IC 6-1.1-24-6.1;

is one hundred twenty (120) days after the date the county **executive** acquires the lien under IC 6-1.1-24-6.

(c) The period for redemption of real property:

- (1) on which the county **executive** acquires a lien under IC 6-1.1-24-6; and
- (2) for which the certificate of sale is sold under IC 6-1.1-24;

is one hundred twenty (120) days after the date of sale of the certificate of sale under IC 6-1.1-24.

(d) When a deed for real property is executed under this chapter, the county auditor shall cancel the certificate of sale and file the canceled certificate in the office of the county auditor. If real property that appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e) is not received, the county auditor shall issue a

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deed to the real property, in the manner provided in IC 6-1.1-24-6.5. **subject to this chapter.**

(e) When a deed is issued to a county **executive** under this chapter, the taxes and special assessments for which the real property was offered for sale, and all subsequent taxes, special assessments, interest, penalties, and cost of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(f) A tax deed executed under this chapter vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments which accrue subsequent to the sale and which are not removed under subsection (e). However, the estate is subject to:

- (1) all easements, covenants, declarations, and other deed restrictions shown by public records;
- (2) laws, ordinances, and regulations concerning governmental police powers, including zoning, building, land use, improvements on the land, land division, and environmental protection; and
- (3) liens and encumbrances created or suffered by the grantee.

(g) A tax deed executed under this chapter is prima facie evidence of:

- (1) the regularity of the sale of the real property described in the deed;
- (2) the regularity of all proper proceedings; and
- (3) valid title in fee simple in the grantee of the deed.

(h) A county auditor is not required to execute a deed to the county **executive** under this chapter if the county executive determines that the property involved contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property. The county **executive** may enter the property to conduct environmental investigations.

(i) If the county executive makes the determination under subsection (h) as to any interest in an oil or gas lease or separate mineral rights, the county treasurer shall certify all delinquent taxes, interest, penalties, and costs assessed under IC 6-1.1-24 to the clerk, following the procedures in IC 6-1.1-23-9. After the date of the county treasurer's certification, the certified amount is subject to collection as delinquent personal property taxes under IC 6-1.1-23. Notwithstanding IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an interest shall be zero (0) until production commences.

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(j) When a deed is issued to a purchaser of a certificate of sale sold under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that taxes are removed by certificate of error, remove from the tax duplicate the taxes, special assessments, interest, penalties, and costs remaining due as the difference between the amount of the last minimum bid under IC 6-1.1-24-5(e) and the amount paid for the certificate of sale.

SECTION 29. IC 6-1.1-25-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4.5. (a) Except as provided in subsection (d), a purchaser or the purchaser's assignee is entitled to a tax deed to the property that was sold only if:

- (1) the redemption period specified in section 4(a)(1) of this chapter has expired;
- (2) the property has not been redeemed within the period of redemption specified in section 4(a) of this chapter; and
- (3) not later than nine (9) months after the date of the sale:
 - (A) the purchaser or the purchaser's assignee; or
 - (B) in a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor;

gives notice of the sale to the owner of record at the time of the sale and any person with a substantial property interest of public record in the tract or real property.

(b) A county **executive** is entitled to a tax deed to property on which the county **executive** acquires a lien under IC 6-1.1-24-6 and for which the certificate of sale is not sold under IC 6-1.1-24-6.1 only if:

- (1) the redemption period specified in section 4(b) of this chapter has expired;
- (2) the property has not been redeemed within the period of redemption specified in section 4(b) of this chapter; and
- (3) not later than ninety (90) days after the date the county **executive** acquires the lien under IC 6-1.1-24-6, the county auditor gives notice of the sale to:
 - (A) the owner of record at the time the lien was acquired; and
 - (B) any person with a substantial property interest of public record in the tract or real property.

(c) A purchaser of a certificate of sale under IC 6-1.1-24-6.1 is entitled to a tax deed to the property for which the certificate was sold only if:

- (1) the redemption period specified in section 4(c) of this chapter has expired;
- (2) the property has not been redeemed within the period of redemption specified in section 4(c) of this chapter; and

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(3) not later than ninety (90) days after the date of sale of the certificate of sale under IC 6-1.1-24, the purchaser gives notice of the sale to:

- (A) the owner of record at the time of the sale; and
- (B) any person with a substantial property interest of public record in the tract or real property.

~~(d)~~ A purchaser or the purchaser's assignee is entitled to a tax deed to the property that was sold under IC 6-1.1-24-5.5(b) only if:

(1) the redemption period specified in section 4(a)(4) of this chapter has expired;

(2) the property has not been redeemed within the period of redemption specified in section 4(a)(4) of this chapter; and

(3) not later than ninety (90) days after the date of the sale, the purchaser or the purchaser's assignee gives notice of the sale to:

- (A) the owner of record at the time of the sale; and
- (B) any person with a substantial property interest of public record in the tract or real property.

~~(e)~~ (d) The person required to give the notice under subsection (a), (b), or (c) shall give the notice by sending a copy of the notice by certified mail to:

(1) the owner of record at the time of the:

- (A) sale of the property;
- (B) acquisition of the lien on the property under IC 6-1.1-24-6; or
- (C) sale of the certificate of sale on the property under IC 6-1.1-24;

at the last address of the owner for the property, as indicated in the records of the county auditor; and

(2) any person with a substantial property interest of public record at the address for the person included in the public record that indicates the interest.

However, if the address of the person with a substantial property interest of public record is not indicated in the public record that created the interest and cannot be located by ordinary means by the person required to give the notice under subsection (a), (b), or (c), the person may give notice by publication in accordance with IC 5-3-1-4 once each week for three (3) consecutive weeks.

~~(f)~~ (e) The notice that this section requires shall contain at least the following:

- (1) A statement that a petition for a tax deed will be filed on or after a specified date.
- (2) The date on or after which the petitioner intends to petition for

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a tax deed to be issued.

(3) A description of the tract or real property shown on the certificate of sale.

(4) The date the tract or real property was sold at a tax sale.

(5) The name of the:

(A) purchaser or purchaser's assignee;

(B) county **executive** that acquired the lien on the property under IC 6-1.1-24-6; or

(C) person that purchased the certificate of sale on the property under IC 6-1.1-24.

(6) A statement that any person may redeem the tract or real property.

(7) The components of the amount required to redeem the tract or real property.

(8) A statement that an entity identified in subdivision (5) is entitled to reimbursement for additional taxes or special assessments on the tract or real property that were paid by the entity subsequent to the tax sale, lien acquisition, or purchase of the certificate of sale, and before redemption, plus interest.

(9) A statement that the tract or real property has not been redeemed.

(10) A statement that an entity identified in subdivision (5) is entitled to receive a deed for the tract or real property if it is not redeemed before the expiration of the period of redemption specified in section 4 of this chapter.

(11) A statement that an entity identified in subdivision (5) is entitled to reimbursement for costs described in section 2(e) of this chapter.

(12) The date of expiration of the period of redemption specified in section 4 of this chapter.

(13) A statement that if the property is not redeemed, the owner of record at the time the tax deed is issued may have a right to the tax sale surplus, if any.

(14) The street address, if any, or a common description of the tract or real property.

(15) The key number or parcel number of the tract or real property.

~~(g)~~ **(f)** The notice under this section must include not more than one

(1) tract or item of real property listed and sold in one (1) description. However, when more than one (1) tract or item of real property is owned by one (1) person, all of the tracts or real property that are owned by that person may be included in one (1) notice.

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~~(h)~~ (g) A single notice under this section may be used to notify joint owners of record at the last address of the joint owners for the property sold, as indicated in the records of the county auditor.

~~(i)~~ (h) The notice required by this section is considered sufficient if the notice is mailed to the address required under subsection ~~(e)~~ (d).

~~(j)~~ (i) The notice under this section and the notice under section 4.6 of this chapter are not required for persons in possession not shown in the public records.

~~(k)~~ (j) If the purchaser fails to:

(1) comply with subsection (c)(3); or

(2) petition for the issuance of a tax deed within the time permitted under section 4.6(a) of this chapter;

the certificate of sale reverts to the county **executive** and may be retained by the county **executive** or sold under IC 6-1.1-24-6.1.

SECTION 30. IC 6-1.1-25-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4.6. (a) After the expiration of the redemption period specified in section 4 of this chapter but not later than six (6) months after the expiration of the period of redemption:

(1) the purchaser, the purchaser's assignee, the county **executive**, or the purchaser of the certificate of sale under IC 6-1.1-24 may; or

(2) in a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor shall, upon the request of the purchaser or the purchaser's assignee;

file a verified petition in the same court and under the same cause number in which the judgment of sale was entered asking the court to direct the county auditor to issue a tax deed if the real property is not redeemed from the sale. Notice of the filing of this petition shall be given to the same parties and in the same manner as provided in section 4.5 of this chapter, except that, if notice is given by publication, only one (1) publication is required. The notice required by this section is considered sufficient if the notice is sent to the address required by ~~section 4.5(e)~~ **section 4.5(d)** of this chapter. Any person owning or having an interest in the tract or real property may file a written objection to the petition with the court not later than thirty (30) days after the date the petition was filed. If a written objection is timely filed, the court shall conduct a hearing on the objection.

(b) Not later than sixty-one (61) days after the petition is filed under subsection (a), the court shall enter an order directing the county auditor (on the production of the certificate of sale and a copy of the

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order) to issue to the petitioner a tax deed if the court finds that the following conditions exist:

- (1) The time of redemption has expired.
- (2) The tract or real property has not been redeemed from the sale before the expiration of the period of redemption specified in section 4 of this chapter.
- (3) Except with respect to a petition for the issuance of a tax deed under a sale of the certificate of sale on the property under IC 6-1.1-24-6.1, all taxes and special assessments, penalties, and costs have been paid.
- (4) The notices required by this section and section 4.5 of this chapter have been given.
- (5) The petitioner has complied with all the provisions of law entitling the petitioner to a deed.

The county auditor shall execute deeds issued under this subsection in the name of the state under the county auditor's name. If a certificate of sale is lost before the execution of a deed, the county auditor shall issue a replacement certificate if the county auditor is satisfied that the original certificate existed.

(c) Upon application by the grantee of a valid tax deed in the same court and under the same cause number in which the judgment of sale was entered, the court shall enter an order to place the grantee of a valid tax deed in possession of the real estate. The court may enter any orders and grant any relief that is necessary or desirable to place or maintain the grantee of a valid tax deed in possession of the real estate.

(d) Except as provided in subsections (e) and (f), if the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure of the petitioner under subsection (a) to fulfill the requirements of this section, the court shall order the return of the purchase price minus a penalty of twenty-five percent (25%) of the amount of the purchase price. Penalties paid under this subsection shall be deposited in the county general fund.

(e) Notwithstanding subsection (d), in all cases in which:

- (1) the petitioner under subsection (a) has made a bona fide attempt to comply with the statutory requirements under subsection (b) for the issuance of the tax deed but has failed to comply with these requirements; and
- (2) the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure to comply with these requirements;

the county auditor shall not execute the deed but shall refund the purchase money plus six percent (6%) interest per annum from the

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county treasury to the purchaser, the purchaser's successors or assignees, or the purchaser of the certificate of sale under IC 6-1.1-24. The tract or item of real property, if it is then eligible for sale under IC 6-1.1-24, shall be placed on the delinquent list as an initial offering under IC 6-1.1-24-6.

(f) Notwithstanding subsections (d) and (e), the court shall not order the return of the purchase price if:

- (1) the purchaser or the purchaser of the certificate of sale under IC 6-1.1-24 has failed to provide notice or has provided insufficient notice as required by section 4.5 of this chapter; and
- (2) the sale is otherwise valid.

(g) A tax deed executed under this section vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law, and the lien of the state or a political subdivision for taxes and special assessments that accrue subsequent to the sale. However, the estate is subject to all easements, covenants, declarations, and other deed restrictions and laws governing land use, including all zoning restrictions and liens and encumbrances created or suffered by the purchaser at the tax sale. The deed is prima facie evidence of:

- (1) the regularity of the sale of the real property described in the deed;
- (2) the regularity of all proper proceedings; and
- (3) valid title in fee simple in the grantee of the deed.

(h) A tax deed issued under this section is incontestable except by appeal from the order of the court directing the county auditor to issue the tax deed filed not later than sixty (60) days after the date of the court's order.

SECTION 31. IC 6-1.1-25-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 9. (a) When a county acquires title to real property under IC 6-1.1-24 and this chapter, the county **executive** may dispose of the real property under IC 36-1-11 or subsection (e). The proceeds of any sale under IC 36-1-11 shall be applied as follows:

- (1) First, to the cost of the sale or offering for sale of the real property, including the cost of:
 - (A) maintenance;
 - (B) preservation;
 - (C) administration of the property before the sale or offering for sale of the property;
 - (D) unpaid costs of the sale or offering for sale of the property;

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- (E) preparation of the property for sale;
 - (F) advertising; and
 - (G) appraisal.
- (2) Second, to any unrecovered cost of the sale or offering for sale of other real property in the same taxing district acquired by the county under IC 6-1.1-24 and this chapter, including the cost of:
- (A) maintenance;
 - (B) preservation;
 - (C) administration of the property before the sale or offering for sale of the property;
 - (D) unpaid costs of the sale or offering for sale of the property;
 - (E) preparation of the property for sale;
 - (F) advertising; and
 - (G) appraisal.
- (3) Third, to the payment of the taxes on the real property that were removed from the tax duplicate under section 4(c) of this chapter.
- (4) Fourth, any surplus remaining into the county general fund.
- (b) The county auditor shall file a report with the board of commissioners before January 31 of each year. The report must:
- (1) list the real property acquired under IC 6-1.1-24 and this chapter; and
 - (2) indicate if any person resides or conducts a business on the property.
- (c) The county auditor shall mail a notice by certified mail before March 31 of each year to each person listed in subsection (b)(2). The notice must state that the county has acquired title to the tract the person occupies.
- (d) If the county **executive** determines ~~under IC 36-1-11~~ that any real property ~~so~~ acquired **under this section** should be retained by the county, then the county **executive** shall not dispose of the real property. The county executive may repair, maintain, equip, alter, and construct buildings upon the real property so retained in the same manner prescribed for other county buildings.
- (e) The county **executive** may transfer title to real property described in subsection (a) to the redevelopment commission at no cost to the commission for sale, ~~or~~ grant, **or other disposition** under IC 36-7-14-22.2, **IC 36-7-14-22.5**, IC 36-7-15.1-15.1, ~~or~~ IC 36-7-15.1-15.2, **or IC 36-7-15.1-15.5**.
- (f) If the real property is located in a geographic area that is not served by a redevelopment commission and the county executive determines that any real property acquired under this section**

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should be held for later sale or transfer by the county executive, the county executive shall wait until an appropriate time to dispose of the real property. The county executive may do the following:

- (1) Examine, classify, manage, protect, insure, and maintain the property being held.
- (2) Eliminate deficiencies (including environmental deficiencies), carry out repairs, remove structures, make improvements, and control the use of the property.
- (3) Lease the property while it is being held.

The county executive may enter into contracts to carry out part or all of the functions described in subdivisions (1) through (3).

SECTION 32. IC 9-21-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) Except as provided in subsection (e), whenever a local authority in the authority's jurisdiction determines ~~on the basis of an engineering and traffic investigation~~ that the maximum speed permitted under this chapter is greater or less than reasonable and safe under the conditions found to exist on a highway or part of a highway, the local authority may determine and declare a reasonable and safe maximum limit on the highway. The maximum limit declared under this section may do any of the following:

- (1) Decrease the limit within urban districts, but not to less than twenty (20) miles per hour.
- (2) Increase the limit within an urban district, but not to more than fifty-five (55) miles per hour during daytime and fifty (50) miles per hour during nighttime.
- (3) Decrease the limit outside an urban district, but not to less than thirty (30) miles per hour.
- (4) Decrease the limit in an alley, but to not less than five (5) miles per hour.
- (5) Increase the limit in an alley, but to not more than thirty (30) miles per hour.

The local authority must perform an engineering and traffic investigation before a determination may be made to change a speed limit under subdivision (2), (3), (4), or (5) or before the speed limit within an urban district may be decreased to less than twenty-five (25) miles per hour under subdivision (1).

(b) A local authority in the authority's jurisdiction shall determine by an engineering and traffic investigation the proper maximum speed for all local streets and shall declare a reasonable and safe maximum speed permitted under this chapter for an urban district. **However, an engineering and traffic study is not required to be performed for**

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the local streets in an urban district under this subsection if the local authority determines that the proper maximum speed in the urban district is not less than twenty-five (25) miles per hour.

(c) An altered limit established under this section is effective at all times or during hours of darkness or at other times as may be determined when appropriate signs giving notice of the altered limit are erected on the street or highway.

(d) Except as provided in this subsection, a local authority may not alter a speed limit on a highway or extension of a highway in the state highway system. A city or town may establish speed limits on state highways upon which a school is located. However, a speed limit established under this subsection is valid only if the following conditions exist:

- (1) The limit is not less than twenty (20) miles per hour.
- (2) The limit is imposed only in the immediate vicinity of the school.
- (3) Children are present.
- (4) The speed zone is properly signed.
- (5) The Indiana department of transportation has been notified of the limit imposed by certified mail.

(e) A local authority may decrease a limit on a street to not less than fifteen (15) miles per hour if the following conditions exist:

- (1) The street is located within a park or playground established under IC 36-10.
- (2) The:
 - (A) board established under IC 36-10-3;
 - (B) board established under IC 36-10-4; or
 - (C) park authority established under IC 36-10-5;
 requests the local authority to decrease the limit.
- (3) The speed zone is properly signed.

SECTION 33. IC 12-19-7-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 32. The serial bonds issued under section 31 of this chapter:

- (1) may be of any denomination that is:
 - (A) not less than fifty dollars (\$50); and
 - (B) not more than one thousand dollars (\$1,000);
- (2) shall be payable:
 - (A) at any place named on the serial bonds; and
 - (B) at any time not later than fifteen (15) years after the date of the serial bonds;
- (3) may bear any rate of interest, payable annually or semiannually;

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- (4) shall be sold at not less than the par value of the bonds; and
- (5) shall be sold in the manner provided for the sale of bonds issued under IC 12-20-23 **(before its repeal)**.

SECTION 34. IC 12-19-7.5-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 31. The serial bonds issued under section 30 of this chapter:

- (1) may be of any denomination that is:
 - (A) not less than fifty dollars (\$50); and
 - (B) not more than one thousand dollars (\$1,000);
- (2) shall be payable:
 - (A) at any place named on the serial bonds; and
 - (B) at any time not later than fifteen (15) years after the date of the serial bonds;
- (3) may bear any rate of interest, payable annually or semiannually;
- (4) shall be sold at not less than the par value of the bonds; and
- (5) shall be sold in the manner provided for the sale of bonds issued under IC 12-20-23 **(before its repeal)**.

SECTION 35. IC 12-20-21-2, AS AMENDED BY P.L.73-2005, SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. ~~Money raised by tax levies made specifically for township assistance purposes; either by a county or township; may not be considered as a part of and may not be commingled with other money of the county. Township assistance money raised by townships may not be commingled. except for the money resulting from levies made by the townships for reimbursement of the counties for advancements from the general fund.~~

SECTION 36. IC 12-20-24-1, AS AMENDED BY P.L.73-2005, SECTION 108, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) In addition to the other methods of township assistance financing provided by this article, if a township trustee for a township determines that a particular township's township assistance account will be exhausted before the end of a fiscal year, the township trustee shall notify the township board of that determination.

(b) After receiving notice under subsection (a) that a township's township assistance account will be exhausted before the end of a fiscal year, the township board shall appeal **to the department of local government finance** for the right to borrow money on a short term basis to fund township assistance services in the township. In the appeal the township board must do the following:

- (1) Show that the amount of money contained in the township

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assistance account will not be sufficient to fund services required to be provided within the township by this article.

(2) Show the amount of money that the board estimates will be needed to fund the deficit.

(3) Indicate a period, not to exceed five (5) years, during which the township would repay the loan.

SECTION 37. IC 12-20-24-5, AS AMENDED BY P.L.73-2005, SECTION 111, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. (a) If upon appeal under ~~section~~ **section 1** of this chapter the department determines that a township board should be allowed to borrow money under this chapter, the department shall order the township trustee to borrow the money from a financial institution on behalf of the township board and to deposit the money borrowed in the township's township assistance account.

(b) If upon appeal under ~~section~~ **section 1** of this chapter the department determines that the township board should not be allowed to borrow money, the board may not do so for that year.

SECTION 38. IC 12-20-24-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. If a loan is approved under IC 12-2-4.5 (before its repeal) or this chapter, the board of commissioners **or county council (for a loan approved by the board of commissioners or county council before July 1, 2006)** or the department shall determine the period during which the township shall repay the loan. However, the period may not exceed five (5) years.

SECTION 39. IC 12-20-24-7, AS AMENDED BY P.L.73-2005, SECTION 112, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. A board of commissioners **or a county council (for a loan approved by the board of commissioners or county council before July 1, 2006)** or the department may not do any of the following:

(1) Approve a request to borrow money made under IC 12-2-4.5 (before its repeal) or this chapter unless the body determines that the township's township assistance account will be exhausted before the account can fund all township obligations incurred under this article.

(2) Recommend or approve a loan that will exceed the estimated amount of the deficit.

SECTION 40. IC 12-20-24-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) If a township board:

(1) appeals before August 1 for permission to borrow money;

(2) receives permission from:

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(A) the board of commissioners **or the** county council, **before July 1, 2006**; or

(B) the department;

to borrow money before November 1 of that year; and

(3) borrows money under this chapter;

the township board shall levy a property tax beginning in the next succeeding year and continuing for the term of the loan in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(b) If a township board:

(1) appeals after August 1 for permission to borrow money;

(2) receives permission from:

(A) the board of commissioners **or the** county council, **before July 1, 2006**; or

(B) the department;

to borrow money; and

(3) borrows money in the year of the appeal under this chapter;

the township board shall levy a property tax beginning in the second succeeding year and continuing for the term of the loan in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(c) The property taxes levied under this section shall be retained by the township trustee and applied by the township trustee to retire the debt.

SECTION 41. IC 12-20-25-30, AS AMENDED BY P.L.73-2005, SECTION 131, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 30. (a) The control board shall supervise the township trustee in the administration of township assistance. The control board may appoint one (1) of the board's members to monitor the trustee's compliance with this chapter and to report discrepancies to the control board. The control board may require the board's approval of an expenditure of more than five hundred dollars (\$500).

(b) Notwithstanding IC 36-6-6-11, the control board shall review and may reduce or increase the township's budget and proposed tax levy to be advertised by the county auditor. If the control board finds that there will be insufficient revenues available under this chapter for the township to pay valid township assistance claims, the control board may consent to proposed borrowing for township assistance under ~~IC 12-20-23~~ or IC 12-20-24.

(c) The control board may approve the number, pay, and duties of employees who are employed for the distribution and administration of

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the distressed township's township assistance program.

(d) The control board may require the township trustee to submit reports on the amounts of township assistance by categories, including the types of goods or services furnished and the vendors who supplied the goods or services.

(e) The control board:

(1) shall operate the employment program implemented by the management committee under section 15(a)(5) of this chapter; and

(2) may require that a township assistance recipient participate in a training program under IC 12-20-12-1.

(f) The control board shall establish income eligibility standards for township assistance, subject to the requirements of section 18 of this chapter.

SECTION 42. IC 12-20-25-40, AS AMENDED BY P.L.73-2005, SECTION 138, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 40. The county treasurer shall deposit the disbursements from the treasurer of state in a county fund to be known as the county income tax township assistance control fund. Notwithstanding IC 6-3.5-1.1, IC 6-3.5-6, and IC 6-1.1-18.5, the county treasurer shall disburse the money in the fund in the following priority:

(1) To ensure the payment within thirty (30) days of all valid township assistance claims in the distressed township that are not covered by subdivision (3).

(2) At the end of each calendar year, to redeem any outstanding bonds issued or repay loans incurred by the county for poor relief or township assistance purposes under IC 12-2-4.5 (before its repeal), IC 12-2-5 (before its repeal), IC 12-20-23 (**before its repeal**), or IC 12-20-24 to the extent the proceeds of the bonds or loans were advanced to the distressed township.

(3) To pay claims approved under section 27 or 28 of this chapter (or IC 12-2-14-22 or IC 12-2-14-23 before their repeal).

(4) As provided in IC 6-3.5-6 if the county option income tax is imposed under this chapter. If the county adjusted gross income tax is imposed under this chapter, to provide property tax replacement credits for each civil taxing unit and school corporation in the county as provided in IC 6-3.5-1.1. No part of the county adjusted gross income tax revenue is considered a certified share of a governmental unit as provided in IC 6-3.5-1.1-15. In addition, the county adjusted gross income tax revenue (except for the county adjusted gross income tax revenues that are to be treated as property tax replacements under

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this subdivision) is in addition to and not a part of the revenue of the township for purposes of determining the township's maximum permissible property tax levy under IC 6-1.1-18.5.

SECTION 43. IC 12-20-25-42, AS AMENDED BY P.L.73-2005, SECTION 140, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 42. (a) This section applies to a township that was certified a distressed township before January 1, 1988.

(b) The controlled status of the distressed township is terminated on July 1, 1989, if the department finds that the following conditions exist:

(1) All valid township assistance claims in the distressed township, including the claims approved under IC 12-2-14-22 (before its repeal), IC 12-2-14-23 (before its repeal), or section 27 or 28 of this chapter, have been paid, except for the following:

(A) Claims under litigation before the date of the board's finding.

(B) Obligations owed to other political subdivisions.

(2) The township has no bonds outstanding that were issued to pay for township assistance in the distressed township.

(c) Notwithstanding section 4(2) of this chapter, if a township that has had the township's distressed status terminated under subsection (b) uses advances from the county from proceeds of bonds issued under IC 12-2-1 (before its repeal) or this article to pay township assistance claims more than one (1) time in the five (5) years following the termination of the township's distressed status, the township must have the township's civil and township assistance budgets reviewed and approved by the county fiscal body in each year that a tax is levied against the property in the township to repay the advances. The decision of the county fiscal body may be appealed to the department.

(d) Notwithstanding IC 12-2-5-6 (before its repeal), IC 12-2-5-8 (before its repeal), IC 12-20-23-15 **(before its repeal)**, and IC 12-20-23-19 **(before its repeal)**, the aggregate principal amount of any outstanding debt that is incurred to pay township assistance claims during the five (5) years following the termination of the township's distressed status under subsection (b) and that is in excess of one-tenth percent (0.1%) of the adjusted valued of taxable property in the township as determined under IC 36-1-15 is the direct general obligation of the county.

SECTION 44. IC 33-36-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. The violations clerk may accept:

(1) written appearances;

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(2) waivers of trial;
 (3) admissions of violations; and
 (4) payment of civil penalties **of up to a specific dollar amount set forth in an ordinance adopted by the legislative body, but not more than ~~one~~ two hundred fifty dollars (\$100); (\$250);**
 in ordinance violation cases, subject to the schedule prescribed under IC 33-36-3 by the legislative body.

SECTION 45. IC 36-1-7-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 11.5. (a) As used in this section, "economic development project" has the meaning set forth in IC 6-3.5-7-13.1(c). The term also includes any project related to transportation services, transportation infrastructure, or the development or construction of a hotel or other tourism destination.**

(b) An entity entering into an agreement under this chapter that is related to an economic development project may do any of the following to carry out the agreement:

(1) After appropriation by the entity's fiscal body, transfer money derived from any source to any of the following:

(A) One (1) or more entities that have entered into the agreement.

(B) An economic development entity (as defined in section 15 of this chapter) established by an entity that has entered into the agreement.

(C) A regional development authority, including the northwest Indiana regional development authority established by IC 36-7.5-2-1.

(D) A regional transportation authority including the regional bus authority established under IC 36-9-3-2(c).

(2) Transfer any property or provide personnel, services, or facilities to any entity or authority described in subdivision (1)(A) through (1)(D).

SECTION 46. IC 36-1-8-5, AS AMENDED BY P.L.73-2005, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5. (a) This section applies to all funds raised by a general or special tax levy on all the taxable property of a political subdivision.**

(b) Whenever the purposes of a tax levy have been fulfilled and an unused and unencumbered balance remains in the fund, the fiscal body of the political subdivision shall order the balance of that fund to be transferred as follows, unless a statute provides that it be transferred

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otherwise:

- (1) Funds of a county, to the general fund or rainy day fund of the county, as provided in section 5.1 of this chapter.
- (2) Funds of a municipality, to the general fund or rainy day fund of the municipality, as provided in section 5.1 of this chapter.
- (3) Funds of a township for redemption of township assistance obligations, to the township assistance fund of the township or rainy day fund of the township, as provided in section 5.1 of this chapter.
- (4) Funds of any other political subdivision, to the general fund or rainy day fund of the political subdivision, as provided in section 5.1 of this chapter. However, if the political subdivision is dissolved or does not have a general fund or rainy day fund, then to the general fund of each of the units located in the political subdivision in the same proportion that the assessed valuation of the unit bears to the total assessed valuation of the political subdivision.

(c) Whenever an unused and unencumbered balance remains in the civil township fund of a township and a current tax levy for the fund is not needed, the township fiscal body may order any part of the balance of that fund transferred to the debt service fund of the school corporation located in or partly in the township; but if more than one (1) school corporation is located in or partly in the township, then any sum transferred shall be transferred to the debt service fund of each of those school corporations in the same proportion that the part of the assessed valuation of the school corporation in the township bears to the total assessed valuation of the township.

(d) Transfers to a political subdivision's rainy day fund ~~must~~ **may** be made ~~after the last day of~~ **at any time during** the political subdivision's fiscal year. ~~and before March 1 of the subsequent calendar year.~~

SECTION 47. IC 36-1-8-16 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 16. (a) If a county executive disposes of real property, the property taxes collected for each item of the real property in the first year the item of real property is subject to taxation after the year the real property is sold or otherwise conveyed shall be disbursed to the county executive that sold or otherwise conveyed the item of real property.**

(b) Disbursements to the county executive under subsection (a) shall be deposited into the county general fund, the redevelopment fund, the unsafe building fund, or the housing trust fund and shall be used only for one (1) or more of the purposes authorized under

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IC 36-7-14-22.5 or IC 36-7-15.1-15.5.

(c) The county executive shall forward a copy of each resolution that disposes or otherwise conveys real property to the county auditor.

(d) The disbursement of property taxes under subsection (a) shall terminate in the second year the item of real property is subject to taxation after the property is sold or otherwise conveyed.

SECTION 48. IC 36-1-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) This section applies whenever the cost of a public work project will be:

- (1) at least seventy-five thousand dollars (\$75,000) in:
 - (A) a consolidated city or second class city;
 - (B) a county containing a consolidated city or second class city; or
 - (C) a regional water or sewage district established under IC 13-26; or

- (2) at least fifty thousand dollars (\$50,000) in:
 - (A) a third class city or town with a population of more than five thousand (5,000); or
 - (B) a county containing a third class city or town with a population of more than five thousand (5,000); or

- (3) (2) at least ~~twenty-five~~ **fifty** thousand dollars ~~(\$25,000)~~ **(\$50,000)** in a political subdivision or an agency not described in subdivision (1). ~~or (2).~~

(b) The board must comply with the following procedure:

- (1) The board shall prepare general plans and specifications describing the kind of public work required, but shall avoid specifications which might unduly limit competition. If the project involves the resurfacing (as defined by IC 8-14-2-1) of a road, street, or bridge, the specifications must show how the weight or volume of the materials will be accurately measured and verified.
- (2) The board shall file the plans and specifications in a place reasonably accessible to the public, which shall be specified in the notice required by subdivision (3).
- (3) Upon the filing of the plans and specifications, the board shall publish notice in accordance with IC 5-3-1 calling for sealed proposals for the public work needed.
- (4) The notice must specify the place where the plans and specifications are on file and the date fixed for receiving bids.
- (5) The period of time between the date of the first publication and the date of receiving bids shall be governed by the size of the

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contemplated project in the discretion of the board, but it may not be more than six (6) weeks.

(6) If the cost of a project is one hundred thousand dollars (\$100,000) or more, the board shall require the bidder to submit a financial statement, a statement of experience, a proposed plan or plans for performing the public work, and the equipment that the bidder has available for the performance of the public work. The statement shall be submitted on forms prescribed by the state board of accounts.

(7) The board may not require a bidder to submit a bid before the meeting at which bids are to be received. The meeting for receiving bids must be open to the public. All bids received shall be opened publicly and read aloud at the time and place designated and not before.

(8) Except as provided in subsection (c), the board shall:

(A) award the contract for public work or improvements to the lowest responsible and responsive bidder; or

(B) reject all bids submitted.

(9) If the board awards the contract to a bidder other than the lowest bidder, the board must state in the minutes or memoranda, at the time the award is made, the factors used to determine which bidder is the lowest responsible and responsive bidder and to justify the award. The board shall keep a copy of the minutes or memoranda available for public inspection.

(10) In determining whether a bidder is responsive, the board may consider the following factors:

(A) Whether the bidder has submitted a bid or quote that conforms in all material respects to the specifications.

(B) Whether the bidder has submitted a bid that complies specifically with the invitation to bid and the instructions to bidders.

(C) Whether the bidder has complied with all applicable statutes, ordinances, resolutions, or rules pertaining to the award of a public contract.

(11) In determining whether a bidder is a responsible bidder, the board may consider the following factors:

(A) The ability and capacity of the bidder to perform the work.

(B) The integrity, character, and reputation of the bidder.

(C) The competence and experience of the bidder.

(12) The board shall require the bidder to submit an affidavit:

(A) that the bidder has not entered into a combination or agreement:

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- (i) relative to the price to be bid by a person;
 - (ii) to prevent a person from bidding; or
 - (iii) to induce a person to refrain from bidding; and
- (B) that the bidder's bid is made without reference to any other bid.

(c) Notwithstanding subsection (b)(8), a county may award sand, gravel, asphalt paving materials, or crushed stone contracts to more than one (1) responsible and responsive bidder if the specifications allow for bids to be based upon service to specific geographic areas and the contracts are awarded by geographic area. The geographic areas do not need to be described in the specifications.

SECTION 49. IC 36-1-12-4.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4.7. (a) This section applies whenever a public work project is estimated to cost:

(1) at least twenty-five thousand dollars (\$25,000) and less than seventy-five thousand dollars (\$75,000) in:

- (A) a consolidated city or second class city;
- (B) a county containing a consolidated city or second class city; or
- (C) a regional water or sewage district established under IC 13-26; or

(2) at least twenty-five thousand dollars (\$25,000) and less than fifty thousand dollars (\$50,000) in ~~(A) a third class city or town with a population of more than five thousand (5,000); or (B) a county containing a third class city or town with a population of more than five thousand (5,000);~~ **a political subdivision or agency not described in subdivision (1).**

(b) The board must proceed under the following provisions:

- (1) The board shall invite quotes from at least three (3) persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The notice must be mailed not less than seven (7) days before the time fixed for receiving quotes.
- (2) The board may not require a person to submit a quote before the meeting at which quotes are to be received. The meeting for receiving quotes must be open to the public. All quotes received shall be opened publicly and read aloud at the time and place designated and not before.
- (3) The board shall award the contract for the public work to the lowest responsible and responsive quoter.
- (4) The board may reject all quotes submitted.

SECTION 50. IC 36-2-7-10, AS AMENDED BY HEA 1114-2006,

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SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) The county recorder shall tax and collect the fees prescribed by this section for recording, filing, copying, and other services the recorder renders, and shall pay them into the county treasury at the end of each calendar month. The fees prescribed and collected under this section supersede all other recording fees required by law to be charged for services rendered by the county recorder.

(b) The county recorder shall charge the following:

(1) Six dollars (\$6) for the first page and two dollars (\$2) for each additional page of any document the recorder records if the pages are not larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(2) Fifteen dollars (\$15) for the first page and five dollars (\$5) for each additional page of any document the recorder records, if the pages are larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(3) For attesting to the release, partial release, or assignment of any mortgage, judgment, lien, or oil and gas lease contained on a multiple transaction document, the fee for each transaction after the first is the amount provided in subdivision (1) plus the amount provided in subdivision (4) and one dollar (\$1) for marginal mortgage assignments or marginal mortgage releases.

(4) One dollar (\$1) for each cross-reference of a recorded document.

(5) One dollar (\$1) per page not larger than eight and one-half (8 1/2) inches by fourteen (14) inches for furnishing copies of records ~~produced by a photographic process~~; and two dollars (\$2) per page that is larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(6) Five dollars (\$5) for acknowledging or certifying to a document.

(7) Five dollars (\$5) for each deed the recorder records, in addition to other fees for deeds, for the county surveyor's corner perpetuation fund for use as provided in IC 32-19-4-3 or IC 36-2-12-11(e).

(8) A fee in an amount authorized under IC 5-14-3-8 for transmitting a copy of a document by facsimile machine.

(9) A fee in an amount authorized by an ordinance adopted by the county legislative body for duplicating a computer tape, a computer disk, an optical disk, microfilm, or similar media. This fee may not cover making a handwritten copy or a photocopy or using xerography or a duplicating machine.

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(10) A supplemental fee of three dollars (\$3) for recording a document that is paid at the time of recording. The fee under this subdivision is in addition to other fees provided by law for recording a document.

(11) Three dollars (\$3) for each mortgage on real estate recorded, in addition to other fees required by this section, distributed as follows:

(A) Fifty cents (\$0.50) is to be deposited in the recorder's record perpetuation fund.

(B) Two dollars and fifty cents (\$2.50) is to be distributed to the auditor of state on or before June 20 and December 20 of each year as provided in IC 24-9-9-3.

(c) The county recorder shall charge a two dollar (\$2) county identification security protection fee for recording or filing a document. This fee shall be deposited under IC 36-2-7.5-6.

(d) The county treasurer shall establish a recorder's records perpetuation fund. All revenue received under subsection (b)(5), (b)(8), (b)(9), and (b)(10), and fifty cents (\$0.50) from revenue received under subsection (b)(11), shall be deposited in this fund. The county recorder may use any money in this fund without appropriation for the preservation of records and the improvement of record keeping systems and equipment.

(e) As used in this section, "record" or "recording" includes the functions of recording, filing, and filing for record.

(f) The county recorder shall post the fees set forth in subsection (b) in a prominent place within the county recorder's office where the fee schedule will be readily accessible to the public.

(g) The county recorder may not tax or collect any fee for:

(1) recording an official bond of a public officer, a deputy, an appointee, or an employee; or

(2) performing any service under any of the following:

(A) IC 6-1.1-22-2(c).

(B) IC 8-23-7.

(C) IC 8-23-23.

(D) IC 10-17-2-3.

(E) IC 10-17-3-2.

(F) IC 12-14-13.

(G) IC 12-14-16.

(h) The state and its agencies and instrumentalities are required to pay the recording fees and charges that this section prescribes.

SECTION 51. IC 36-4-6-4, AS AMENDED BY P.L.230-2005, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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UPON PASSAGE]: Sec. 4. (a) This section applies to third class cities, except as provided by section 5 of this chapter.

(b) This subsection does not apply to a city with an ordinance described by subsection (j) **or (m)**. The legislative body shall adopt an ordinance to divide the city into five (5) districts that:

- (1) are composed of contiguous territory, except for territory that is not contiguous to any other part of the city;
- (2) are reasonably compact;
- (3) do not cross precinct boundary lines except as provided in subsection (c) or (d); and
- (4) contain, as nearly as is possible, equal population.

(c) The boundary of a city legislative body district may cross a precinct boundary line if:

- (1) more than one (1) member of the legislative body elected from the districts established under subsection (b), ~~or~~ (j), **or (m)** resides in one (1) precinct established under IC 3-11-1.5 after the most recent municipal election; and
- (2) following the establishment of a legislative body district whose boundary crosses a precinct boundary line, not more than one (1) member of the legislative body elected from the districts resides within the same city legislative body district.

(d) The boundary of a city legislative body district may cross a precinct line if the districts would not otherwise contain, as nearly as is possible, equal population.

(e) A city legislative body district with a boundary described by subsection (c) or (d) may not cross a census block boundary line:

- (1) except when following a precinct boundary line; or
- (2) unless the city legislative body certifies in the ordinance that the census block has no population, and is not likely to ever have population.

(f) The legislative body may not adopt an ordinance dividing the city into districts with boundaries described by subsection (c) or (d) unless the clerk of the city mails a written notice to the circuit court clerk. The notice must:

- (1) state that the legislative body is considering the adoption of an ordinance described by this subsection; and
- (2) be mailed not later than ten (10) days before the legislative body adopts the ordinance.

(g) The division under subsection (b), ~~or~~ (j), **or (m)** shall be made:

- (1) during the second year after a year in which a federal decennial census is conducted; and
- (2) when required to assign annexed territory to a district.

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This division may be made at any other time, subject to IC 3-11-1.5-32.

(h) This subsection does not apply to a city with an ordinance described by subsection (j) **or (m)**. The legislative body is composed of five (5) members elected from the districts established under subsection (b) and two (2) at-large members.

(i) This subsection does not apply to a city with an ordinance described by subsection (j) **or (m)**. Each voter of the city may vote for two (2) candidates for at-large membership and one (1) candidate from the district in which the voter resides. The two (2) at-large candidates receiving the most votes from the whole city and the district candidates receiving the most votes from their respective districts are elected to the legislative body.

(j) A city may adopt an ordinance under this subsection to divide the city into four (4) districts that:

- (1) are composed of contiguous territory;
- (2) are reasonably compact;
- (3) do not cross precinct boundary lines, except as provided in subsection (c) or (d); and
- (4) contain, as nearly as is possible, equal population.

(k) This subsection applies to a city with an ordinance described by subsection (j). The legislative body is composed of four (4) members elected from the districts established under subsection (j) and three (3) at-large members.

(l) This subsection applies to a city with an ordinance described by subsection (j). Each voter of the city may vote for three (3) candidates for at-large membership and one (1) candidate from the district in which the voter resides. The three (3) at-large candidates receiving the most votes from the whole city and the district candidates receiving the most votes from their respective districts are elected to the legislative body.

(m) This subsection applies only if the ordinance adopted under IC 36-4-1.5-3 by the town legislative body of a town that has a population of less than ten thousand (10,000) and that becomes a city specifies that the city legislative body districts are governed by this subsection. The ordinance adopted under IC 36-4-1.5-3(b)(1) dividing the town into city legislative body districts may provide that:

- (1) the city shall be divided into three (3) districts that:**
 - (A) are composed of contiguous territory;**
 - (B) are reasonably compact;**
 - (C) do not cross precinct boundary lines, except as provided in subsection (c) or (d); and**

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**(D) contain, as nearly as is possible, equal population; and
(2) the legislative body of the city is composed of three (3)
members elected from the districts established under this
subsection and two (2) at-large members.**

Each voter of the city may vote for two (2) candidates for at-large membership and one (1) candidate from the district in which the voter resides. The two (2) at-large candidates receiving the most votes from the whole city and the district candidates receiving the most votes from their respective districts are elected to the legislative body.

~~(m)~~ **(n)** A copy of the ordinance establishing districts under this section must be filed with the circuit court clerk of the county that contains the greatest population of the city no later than thirty (30) days after the ordinance is adopted.

~~(n)~~ **(o)** If any territory in the city is not included in one (1) of the districts established under this section, the territory is included in the district that:

- (1) is contiguous to that territory; and
- (2) contains the least population of all districts contiguous to that territory.

~~(o)~~ **(p)** If any territory in the city is included in more than one (1) of the districts established under this section, the territory is included in the district that:

- (1) is one (1) of the districts in which the territory is described in the ordinance adopted under this section;
- (2) is contiguous to that territory; and
- (3) contains the least population of all districts contiguous to that territory.

SECTION 52. IC 36-4-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. (a) The legislative body shall hold its first regular meeting ~~in its chamber at 7:30 p.m. on the first Monday~~ in January after its election. In subsequent months, the legislative body shall hold regular meetings at least once a month, unless its rules require more frequent meetings.

(b) A special meeting of the legislative body shall be held when called by the city executive or when called under the rules of the legislative body.

SECTION 53. IC 36-4-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) This subsection applies only to second class cities. At its first regular meeting under section 7 of this chapter, and ~~on the first Monday of~~ each succeeding January, the legislative body shall choose from its members a president

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and a vice president.

(b) This subsection applies only to third class cities. The city executive shall preside at all meetings of the legislative body, but may vote only in order to break a tie. At its first regular meeting under section 7 of this chapter and ~~on the first Monday of~~ each succeeding January, the legislative body shall choose from its members a president pro tempore to preside whenever the executive is absent.

SECTION 54. IC 36-4-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) This section does not apply to compensation paid by a city to members of its police and fire departments.

(b) Subject to the approval of the city legislative body, the city executive shall fix the compensation of each appointive officer, deputy, and other employee of the city. The legislative body may reduce but may not increase any compensation fixed by the executive. Compensation must be fixed under this section ~~before~~

(1) ~~September 20~~ for a third class city; and

(2) ~~September 30~~ for a second class city;

not later than September 30 of each year for the ensuing budget year.

(c) Compensation fixed under this section may ~~not~~ be increased **or decreased by the executive** during the budget year for which it is fixed. ~~but may be reduced by the executive.~~

(d) Notwithstanding subsection (b), the city clerk may, with the approval of the legislative body, fix the salaries of deputies and employees appointed under IC 36-4-11-4.

SECTION 55. IC 36-4-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11. If the city legislative body does not pass the ~~ordinances~~ **ordinance** required by section 7 of this chapter ~~on or before~~

(1) ~~September 20~~ for a third class city; and

(2) ~~September 30~~ for a second class city;

before October 1 of each year, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

SECTION 56. IC 36-6-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) This section does not apply to the appropriation of money to pay a deputy, an employee, or a technical adviser that assists a township assessor with assessment duties or to an elected township assessor.

(b) The township legislative body shall fix the:

(1) salaries;

(2) wages;

(3) rates of hourly pay; and

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(4) remuneration other than statutory allowances;
of all officers and employees of the township.

(c) Subject to subsection (d), the township legislative body may reduce the salary of an elected or appointed official. However, **except as provided in subsection (i)**, the official is entitled to a salary that is not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

(d) Except as provided in ~~subsection~~ **subsections (e) and (i)**, the township legislative body may not alter the salaries of elected or appointed officers during the fiscal year for which they are fixed, but it may add or eliminate any other position and change the salary of any other employee, if the necessary funds and appropriations are available.

(e) In a township that does not elect a township assessor under IC 36-6-5-1, the township legislative body may appropriate available township funds to supplement the salaries of elected or appointed officers to compensate them for performing assessing duties. However, in any calendar year no officer or employee may receive a salary and additional salary supplements which exceed the salary fixed for that officer or employee under subsection (b).

(f) If a change in the mileage allowance paid to state officers and employees is established by July 1 of any year, that change shall be included in the compensation fixed for the township executive and assessor under this section, to take effect January 1 of the next year. However, the township legislative body may by ordinance provide for the change in the sum per mile to take effect before January 1 of the next year.

(g) The township legislative body may not reduce the salary of the township executive without the consent of the township executive during the term of office of the township executive as set forth in IC 36-6-4-2.

(h) This subsection applies when a township executive dies or resigns from office. The person filling the vacancy of the township executive shall receive at least the same salary the previous township executive received for the remainder of the unexpired term of office of the township executive (as set forth in IC 36-6-4-2), unless the person consents to a reduction in salary.

(i) In a year in which there is not an election of members to the township legislative body, the township legislative body may by unanimous vote reduce the salaries of the members of the township legislative body by any amount.

SECTION 57. IC 36-7-7.6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) The following

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members shall be appointed to the commission:

(1) A member of the county executive of each county described in section 1 of this chapter, to be appointed by the county executive.

(2) A member of the county fiscal body of each county described in section 1 of this chapter, to be appointed by the county fiscal body.

(3) The county surveyor of each county described in section 1 of this chapter.

(4) For a county having a population of not more than four hundred thousand (400,000), one (1) person appointed by the executive of each of the eleven (11) largest municipalities.

(5) For a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), one (1) person appointed by the executive of each of the nineteen (19) largest municipalities.

(6) Beginning July 1, 2007, one (1) person appointed by the trustee of each township that:

(A) is located in a county described in section 1 of this chapter;

(B) has a population of at least eight thousand (8,000); and

(C) does not contain a municipality.

(b) One (1) voting member of the commission shall be appointed by the governor. The member appointed under this subsection may not vote in a weighted vote under section 9 of this chapter.

(c) A member of the commission who is a county surveyor may not vote in a weighted vote under section 9 of this chapter.

SECTION 58. IC 36-7-7.6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) ~~Twenty-six (26)~~ **A majority of the** commission members constitute a quorum.

(b) An action of the commission is official only if both the following apply:

(1) The action is authorized at a regular meeting or a properly called special meeting in which at least one (1) member from each county described in section 1 of this chapter is present.

(2) The action is authorized by:

(A) the affirmative votes of ~~twenty-six (26)~~ **a majority of the** members of the commission; or

(B) a weighted affirmative vote of more than fifty (50) if a motion is made under subsection (c).

(c) The weighted voting authorized under this chapter may not be used after June 30, 2007. Upon a motion by any one (1) member of the

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commission that is properly seconded by another member at:

- (1) a regular meeting; or
- (2) a properly called special meeting;

the commission shall use the weighted voting process described in subsection (d).

(d) Until June 30, 2007, each commission member has a weighted vote determined as follows:

- (1) In the case of a member appointed by the executive of a municipality, the member's weighted vote is determined in STEP FIVE of the following formula:

STEP ONE: Determine the population of the municipality as reported by the 2000 decennial census.

STEP TWO: Determine the sum of the population of the counties described in section 1 of this chapter as reported by the 2000 decennial census.

STEP THREE: Divide the number determined in STEP ONE by the number determined in STEP TWO.

STEP FOUR: Round the number determined in STEP THREE to the nearest ten-thousandth (0.0001).

STEP FIVE: Multiply the number determined in STEP FOUR by one hundred (100).

- (2) In the case of a member appointed by the executive of a county, the member's weighted vote is determined in STEP FIVE of the following formula:

STEP ONE: Determine the population of the area in the county that is not within a municipality **and is not within a township described in section 4(a)(6) of this chapter** as reported by the 2000 decennial census.

STEP TWO: Determine the sum of the population of the counties described in section 1 of this chapter as reported by the 2000 decennial census.

STEP THREE: Divide the number determined in STEP ONE by the number determined in STEP TWO.

STEP FOUR: Round the number determined in STEP THREE to the nearest ten-thousandth (0.0001).

STEP FIVE: Multiply the number determined in STEP FOUR by fifty (50).

- (3) In the case of a member appointed by a fiscal body, the member's weighted vote is determined in STEP FIVE of the following formula:

STEP ONE: Determine the population of the area in the county that is not within a municipality **and is not within a township**

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described in section 4(a)(6) of this chapter as reported by the 2000 decennial census.

STEP TWO: Determine the sum of the population of the counties described in section 1 of this chapter as reported by the 2000 decennial census.

STEP THREE: Divide the number determined in STEP ONE by the number determined in STEP TWO.

STEP FOUR: Round the number determined in STEP THREE to the nearest ten-thousandth (0.0001).

STEP FIVE: Multiply the number determined in STEP FOUR by fifty (50).

(4) In the case of a member appointed by the trustee of a township under section 4(a)(6) of this chapter, the member's weighted vote is determined in STEP FIVE of the following formula:

STEP ONE: Determine the population of the township as reported by the 2000 decennial census.

STEP TWO: Determine the sum of the population of the counties described in section 1 of this chapter as reported by the 2000 decennial census.

STEP THREE: Divide the number determined in STEP ONE by the number determined in STEP TWO.

STEP FOUR: Round the number determined in STEP THREE to the nearest ten-thousandth (0.0001).

STEP FIVE: Multiply the number determined in STEP FOUR by fifty (50).

SECTION 59. IC 36-7-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. As used in this chapter:

"Community organization" means a citizen's group, neighborhood association, neighborhood development corporation, or similar organization that:

- (1) has specific geographic boundaries defined in its bylaws or articles of incorporation and contains at least forty (40) households within those boundaries;
- (2) is a nonprofit corporation that is representative of at least twenty-five (25) households or twenty percent (20%) of the households in the community, whichever is less;
- (3) is operated primarily for the promotion of social welfare and general neighborhood improvement and enhancement;
- (4) has been incorporated for at least two (2) years; and
- (5) is exempt from taxation under Section 501(c)(3) or 501(c)(4)

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of the Internal Revenue Code.

"Department" refers to the executive department authorized by ordinance to administer this chapter. In a consolidated city, this department is the department of metropolitan development, subject to IC 36-3-4-23.

"Enforcement authority" refers to the chief administrative officer of the department, except in a consolidated city. In a consolidated city, the division of development services is the enforcement authority, subject to IC 36-3-4-23.

"Hearing authority" refers to a person or persons designated as such by the executive of a city or county, or by the legislative body of a town. However, in a consolidated city, the director of the department or a person designated by ~~him~~ **the director** is the hearing authority. An employee of the enforcement authority may not be designated as the hearing authority.

"Known or recorded fee interest, life estate interest, or equitable interest of a contract purchaser" means any fee interest, life estate interest, or equitable interest of a contract purchaser held by a person whose identity and address may be determined from:

- (1) an instrument recorded in the recorder's office of the county where the unsafe premises is located;
- (2) written information or actual knowledge received by the department (or, in the case of a consolidated city, the enforcement authority); or
- (3) a review of department (or, in the case of a consolidated city, the enforcement authority) records that is sufficient to identify information that is reasonably ascertainable.

"Known or recorded substantial property interest" means any right in real property, including a fee interest, a life estate interest, a future interest, a mortgage interest, or an equitable interest of a contract purchaser, that:

- (1) may be affected in a substantial way by actions authorized by this chapter; and
- (2) is held by a person whose identity and address may be determined from:
 - (A) an instrument recorded in the recorder's office of the county where the unsafe premises is located;
 - (B) written information or actual knowledge received by the department (or, in the case of a consolidated city, the enforcement authority); or
 - (C) a review of department (or, in the case of a

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consolidated city, the enforcement authority) records that is sufficient to identify information that is reasonably ascertainable.

"Substantial property interest" means any right in real property that may be affected in a substantial way by actions authorized by this chapter, including a fee interest, a life estate interest, a future interest, ~~a present possessory interest;~~ **a mortgage interest**, or an equitable interest of a contract purchaser. ~~In a consolidated city, the interest reflected by a deed, lease, license, mortgage, land sale contract, or lien is not a substantial property interest unless the deed, lease, license, mortgage, land sale contract, lien, or evidence of it is:~~

- ~~(1) recorded in the office of the county recorder; or~~
- ~~(2) the subject of a written information that is received by the division of development services and includes the name and address of the holder of the interest described.~~

SECTION 60. IC 36-7-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. (a) A hearing must be held relative to each order of the enforcement authority, except for an order issued under section 5(a)(2), 5(a)(3), 5(a)(4), or 5(a)(5) of this chapter. An order issued under section 5(a)(2), 5(a)(3), 5(a)(4), or 5(a)(5) of this chapter becomes final ten (10) days after notice is given, unless a hearing is requested before the ten (10) day period ends by a person holding a fee interest, life estate interest, **mortgage interest**, or equitable interest of a contract purchaser in the unsafe premises. The hearing shall be conducted by the hearing authority.

(b) The hearing shall be held on a business day no earlier than ten (10) days after notice of the order is given. The hearing authority may, however, take action at the hearing, or before the hearing if a written request is received by the enforcement authority not later than five (5) days after notice is given, to continue the hearing to a business day not later than fourteen (14) days after the hearing date shown on the order. Unless the hearing authority takes action to have the continued hearing held on a definite, specified date, notice of the continued hearing must be given to the person to whom the order was issued at least five (5) days before the continued hearing date, in the manner prescribed by section 25 of this chapter. If the order being considered at the continued hearing was served by publication, it is sufficient to give notice of the continued hearing by publication unless the enforcement authority has received information in writing that enables it to make service under section 25 of this chapter by a method other than publication.

(c) The person to whom the order was issued, any person having a

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substantial property interest in the unsafe premises that are the subject of the order, or any other person with an interest in the proceedings may appear in person or by counsel at the hearing. Each person appearing at the hearing is entitled to present evidence, cross-examine opposing witnesses, and present arguments.

(d) At the conclusion of any hearing at which a continuance is not granted, the hearing authority may make findings and take action to:

- (1) affirm the order;
- (2) rescind the order; or
- (3) modify the order, but unless the person to whom the order was issued, or counsel for that person, is present at the hearing, the hearing authority may modify the order in only a manner that makes its terms less stringent.

(e) In addition to affirming the order, in those cases in which the hearing authority finds that there has been a willful failure to comply with the order, the hearing authority may impose a civil penalty in an amount not to exceed five thousand dollars (\$5,000). The effective date of the civil penalty may be postponed for a reasonable period, after which the hearing authority may order the civil penalty reduced or stricken if the hearing authority is satisfied that all work necessary to fully comply with the order has been done. For purposes of an appeal under section 8 of this chapter or enforcement of an order under section 17 of this chapter, action of the hearing authority is considered final upon the affirmation of the order, even though the hearing authority may retain jurisdiction for the ultimate determination of a fine related to the civil penalty. In the hearing authority's exercise of continuing jurisdiction, the hearing authority may, in addition to reducing or striking the civil penalty, impose one (1) or more additional civil penalties in an amount not to exceed five thousand dollars (\$5,000) per civil penalty. An additional civil penalty may be imposed if the hearing authority finds that:

- (1) significant work on the premises to comply with the affirmed order has not been accomplished; and
- (2) the premises have a negative effect on property values or the quality of life of the surrounding area or the premises require the provision of services by local government in excess of the services required by ordinary properties.

(f) If, at a hearing, a person to whom an order has been issued requests an additional period to accomplish action required by the order, and shows good cause for this request to be granted, the hearing authority may grant the request. However, as a condition for allowing the additional period, the hearing authority may require that the person

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post a performance bond to be forfeited if the action required by the order is not completed within the additional period.

~~(f)~~ **(g)** The board or commission having control over the department shall, at a public hearing, after having given notice of the time and place of the hearing by publication in accordance with IC 5-3-1, adopt a schedule setting forth the maximum amount of performance bonds applicable to various types of ordered action. The hearing authority shall use this schedule to fix the amount of the performance bond required under subsection ~~(e)~~ **(f)**.

~~(g)~~ **(h)** The record of the findings made and action taken by the hearing authority at the hearing shall be available to the public upon request. However, neither the enforcement authority nor the hearing authority is required to give any person notice of the findings and action.

~~(h)~~ **(i)** **If a civil penalty under subsection ~~(d)~~ (e) is unpaid for more than fifteen (15) days after payment of the civil penalty is due, the civil penalty may be collected from any person against whom the hearing officer assessed the civil penalty or fine. A civil penalty or fine may be collected under this subsection** in the same manner as costs under section 13 **or 13.5** of this chapter. The amount of the civil penalty **or fine** that is collected shall be deposited in the unsafe building fund.

SECTION 61. IC 36-7-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) An action taken under section 7(d) **or 7(e)** of this chapter is subject to review by the circuit or superior court of the county in which the unsafe premises are located, on request of:

- (1) any person who has a substantial property interest in the unsafe premises; or
- (2) any person to whom that order was issued.

(b) A person requesting judicial review under this section must file a verified complaint including the findings of fact and the action taken by the hearing authority. The complaint must be filed within ten (10) days after the date when the action was taken.

(c) An appeal under this section is an action de novo. The court may affirm, modify, or reverse the action taken by the hearing authority.

SECTION 62. IC 36-7-9-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) The enforcement authority may cause the action required by an order issued under section 5(a)(2), 5(a)(3), 5(a)(4), or 5(a)(5) of this chapter to be performed by a contractor if:

- (1) the order has been served, in the manner prescribed by section

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25 of this chapter, on each person having a **known or recorded** fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises that are the subject of the order;

(2) the order has not been complied with;

(3) a hearing was not requested under section 5(b)(6) of this chapter, or, if a hearing was requested, the order was affirmed at the hearing; and

(4) the order is not being reviewed under section 8 of this chapter.

(b) The enforcement authority may cause the action required by an order, other than an order under section 5(a)(2), 5(a)(3), 5(a)(4), or 5(a)(5) of this chapter, to be performed if:

(1) service of an order **under section 5(a)(1) of this chapter**, in the manner prescribed by section 25 of this chapter, has been made on each person having a **known or recorded** substantial property interest **or present possessory interest** in the unsafe premises that are the subject of the order;

(2) service of an order under section 5(a)(6), 5(a)(7), or 5(a)(8) of this chapter, in the manner prescribed by section 25 of this chapter, has been made on each person having a known or recorded substantial property interest in the unsafe premises that are the subject of the order;

~~(2)~~ **(3)** the order has been affirmed or modified at the hearing in such a manner that all persons having a **known or recorded** substantial property interest, **and persons holding a present possessory interest, as required**, in the unsafe premises that are the subject of the order are currently subject to an order requiring the accomplishment of substantially identical action;

~~(3)~~ **(4)** the order, as affirmed or modified at the hearing, has not been complied with; and

~~(4)~~ **(5)** the order is not being reviewed under section 8 of this chapter.

(c) If action is being taken under this section on the basis of an order that was served by publication, it is sufficient to serve the statement by publication and indicate that the enforcement authority intends to perform the work, unless the authority has received information in writing that enables it to make service under section 25 of this chapter by a method other than publication.

SECTION 63. IC 36-7-9-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11. (a) The work required by an order of the enforcement authority may be performed in the following manner:

(1) If the work is being performed under an order other than an

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order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, and if the cost of this work is estimated to be less than ten thousand dollars (\$10,000), the department, acting through the unit's enforcement authority or other agent, may perform the work by means of the unit's own workers and equipment owned or leased by the unit. Notice that this work is to be performed must be given to all persons with a **known or recorded** substantial property interest, in the manner prescribed in subsection (c), at least ten (10) days before the date of performance of the work by the enforcement authority. This notice must include a statement that an amount representing a reasonable estimate of the cost incurred by the enforcement authority in processing the matter and performing the work may, if not paid, be recorded after a hearing as a lien against all persons having a fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises.

(2) If the work is being performed under an order other than an order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, and if the estimated cost of this work is ten thousand dollars (\$10,000) or more, this work must be let at public bid to a contractor licensed and qualified under law. The obligation to pay costs imposed by section 12 of this chapter is based on the condition of the unsafe premises at the time the public bid was accepted. Changes occurring in the condition of the unsafe premises after the public bid was accepted do not eliminate or diminish this obligation.

(3) If the work is being performed under an order issued under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, the work may be performed by a contractor who has been awarded a base bid contract to perform the work for the enforcement authority, or by the department, acting through the unit's enforcement authority or other governmental agency and using the unit's own workers and equipment owned or leased by the unit. Work performed under an order issued under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter may be performed without further notice to the persons holding a fee interest, life estate interest, or equitable interest of a contract purchaser, and these persons are liable for the costs incurred by the enforcement authority in processing the matter and performing the work, as provided by section 12 of this chapter.

(b) Bids may be solicited and accepted for work on more than one (1) property if the bid reflects an allocation of the bid amount among

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the various unsafe premises in proportion to the work to be accomplished. The part of the bid amount attributable to each of the unsafe premises constitutes the basis for calculating the part of the costs described by section 12(a)(1) of this chapter.

(c) All persons who have a **known or recorded** substantial property interest in the unsafe premises and are subject to an order other than an order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter must be notified about the public bid in the manner prescribed by section 25 of this chapter, by means of a written statement including:

- (1) the name of the person to whom the order was issued;
- (2) a legal description or address of the unsafe premises that are the subject of the order;
- (3) a statement that a contract is to be let at public bid to a licensed contractor to accomplish work to comply with the order;
- (4) a description of work to be accomplished;
- (5) a statement that both the bid price of the licensed contractor who accomplishes the work and an amount representing a reasonable estimate of the cost incurred by the enforcement authority in processing the matter of the unsafe premises may, if not paid, be recorded after a hearing as a lien against all persons having a fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises;
- (6) the time of the bid opening;
- (7) the place of the bid opening; and
- (8) the name, address, and telephone number of the enforcement authority.

(d) If the notice of the statement that public bids are to be let is served by publication, the publication must include the information required by subsection (c), except that it need only include a general description of the work to be accomplished. The publication must also state that a copy of the statement of public bid may be obtained from the enforcement authority.

(e) Notice of the statement that public bids are to be let must be given, at least ten (10) days before the date of the public bid, to all persons who have a **known or recorded** substantial property interest in the property and are subject to an order other than an order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter.

(f) If action is being taken under this section on the basis of an order that was served by publication, it is sufficient to serve the statement that public bids are to be let by publication, unless the enforcement authority has received information in writing that enables the unit to make service under section 25 of this chapter by a method other than

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publication.

SECTION 64. IC 36-7-9-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 13. (a) If all or any part of the costs listed in section 12 of this chapter remain unpaid for any unsafe premises (other than unsafe premises owned by a governmental entity) for more than fifteen (15) days after the completion of the work, the enforcement authority does not act under section 13.5 of this chapter, and the enforcement authority determines that there is a reasonable probability of obtaining recovery, the enforcement authority shall prepare a record stating:

- (1) the name and last known address of each person who held a **known or recorded** fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises from the time the order requiring the work to be performed was recorded to the time that the work was completed;
- (2) the legal description or address of the unsafe premises that were the subject of work;
- (3) the nature of the work that was accomplished;
- (4) the amount of the unpaid bid price of the work that was accomplished; and
- (5) the amount of the unpaid average processing expense.

The record must be in a form approved by the state board of accounts.

(b) The enforcement authority, or its head, shall swear to the accuracy of the record before the clerk of the circuit court and deposit the record in the clerk's office. Notice that the record has been filed and that a hearing on the amounts indicated in the record may be held must be sent **in the manner prescribed by section 25 of this chapter to all of the following:**

- (1) The persons named in the record. ~~in the manner prescribed by section 25 of this chapter.~~
- (2) **Any mortgagee that has a known or recorded substantial property interest.**

(c) If, within thirty (30) days after the notice required by subsection (b), a person named in the record **or a mortgagee** files with the clerk of the circuit court a written petition objecting to the claim for payment and requesting a hearing, the clerk shall enter the cause on the docket of the circuit or superior court as a civil action, and a hearing shall be held on the question in the manner prescribed by IC 4-21.5. However, issues that could have been determined under section 8 of this chapter may not be entertained at the hearing. At the conclusion of the hearing, the court shall either sustain the petition or enter a judgment against the persons named in the record for the amounts recorded or for modified

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amounts.

(d) If no petition is filed under subsection (c), the clerk of the circuit court shall enter the cause on the docket of the court and the court shall enter a judgment for the amounts stated in the record.

(e) A judgment under subsection (c) or (d), to the extent that it is not satisfied under IC 27-2-15, is a debt and a lien on all the real and personal property of the person named, or a joint and several debt and lien on the real and personal property of the persons named **in the record prepared under subsection (a)**. The lien on real property is perfected against all creditors and purchasers when the judgment is entered on the judgment docket of the court. The lien on personal property is perfected by filing a lis pendens notice in the appropriate filing office, as prescribed by the Indiana Rules of Trial Procedure.

(f) Judgments rendered under this section may be enforced in the same manner as all other judgments are enforced.

SECTION 65. IC 36-7-9-13.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 13.5. (a) This section does not apply to the collection of an amount if a court determines under section 13 of this chapter that the enforcement authority is not entitled to the amount.

(b) If all or any part of the costs listed in section 12 of this chapter remain unpaid for any unsafe premises (other than unsafe premises owned by a governmental entity) for more than fifteen (15) days after completion of the work, the enforcement authority may send notice under section 25 of this chapter to each person who held a **known or recorded** fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises. **If the notice is sent, the enforcement authority shall also send notice to any mortgagee with a known or recorded substantial property interest.** The notice must require full payment of the amount owed within thirty (30) days.

(c) If full payment of the amount owed is not made less than thirty (30) days after the notice is delivered, the enforcement officer may certify the following information to the county auditor:

- (1) The name of each person who held a **known or recorded** fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises.
- (2) The description of the unsafe premises, as shown by the records of the county auditor.
- (3) The amount of the delinquent payment, including all costs described in section 12 of this chapter.

(d) The county auditor shall place the total amount certified under subsection (c) on the tax duplicate for the affected property as a special

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assessment. The total amount, including accrued interest, shall be collected as delinquent taxes are collected.

(e) An amount collected under subsection (d), after all other taxes have been collected and disbursed, shall be disbursed to the unsafe building fund.

(f) A judgment entered under section 13, **19, 21, or 22** of this chapter may be **certified to the auditor and** collected under this section. However, a judgment lien need not be obtained under section 13 of this chapter before a debt is certified under this section.

SECTION 66. IC 36-7-9-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 14. (a) The enforcement authority shall establish in its operating budget a fund designated as the unsafe building fund. Any balance remaining at the end of a fiscal year shall be carried over in the fund for the following year and does not revert to the general fund.

(b) Money for the unsafe building fund may be received from any source, including appropriations by local, state, or federal governments, and donations. The following money shall be deposited in the fund:

- (1) Money received as payment for or settlement of obligations or judgments established under sections 9 through 13 and 17 through 22 of this chapter.
- (2) Money received from bonds posted under section 7 of this chapter.
- (3) Money received in satisfaction of receivers' notes or certificates that were issued under section 20 of this chapter and were purchased with money from the unsafe building fund.
- (4) Money received for payment or settlement of civil penalties **or fines** imposed under section 7 of this chapter.
- (5) Money received from the collection of special assessments under section 13.5 of this chapter.

(c) Money in the unsafe building fund may be used for the expenses incurred in carrying out the purposes of this chapter, including:

- (1) the cost of obtaining reliable information about the identity and location of each person who owns a substantial property interest in unsafe premises;
- (2) the cost of an examination of an unsafe building by a registered architect or registered engineer not employed by the department;
- (3) the cost of surveys necessary to determine the location and dimensions of real property on which an unsafe building is located;
- (4) the cost of giving notice of orders, notice of statements of

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rescission, notice of continued hearing, and notice of statements that public bids are to be let in the manner prescribed by section 25 of this chapter;

(5) the bid price of work by a contractor under section 10 or sections 17 through 22 of this chapter;

(6) the cost of emergency action under section 9 of this chapter; and

(7) the cost of notes or receivers' certificates issued under section 20 of this chapter.

(d) Payment of money from the unsafe building fund must be made in accordance with applicable law.

SECTION 67. IC 36-7-9-18.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 18.1. (a) A court acting under section 17 of this chapter may condition the granting of a period of time to accomplish the action required by an order on the posting of a performance bond that will be forfeited if the action required by the order is not completed within the period the court allows. Before granting a period of time that is conditioned on the posting of a bond, the court may require that the requesting person justify the request with a workable and financially supported plan. If the court determines that a significant amount of work must be accomplished to comply with the order, the court may require that the bond specify interim completion standards and provide that the bond is forfeited if any of these interim completion standards are not substantially met.**

(b) An amount collected under subsection (a) on a forfeited bond shall be deposited in the unsafe building fund.

SECTION 68. IC 36-7-9-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 19. (a) A court acting under section 17 of this chapter may impose a civil ~~forfeiture~~ **penalty** not to exceed ~~one~~ **five** thousand dollars (~~\$1,000~~) (**\$5,000**) against any person if the conditions of section 18 of this chapter are met. The ~~forfeiture~~ **penalty** imposed may not be substantially less than the cost of complying with the order, unless that cost exceeds ~~one~~ **two** thousand ~~five hundred~~ dollars (~~\$1,000~~) (**\$2,500**). The effective date of the ~~forfeiture~~ **penalty** may be postponed for a period not to exceed thirty (30) days, after which the court may order the ~~forfeiture~~ **penalty** reduced or stricken if it is satisfied that all work necessary to fully comply with the order has been done.

(b) On request of the enforcement authority the court shall enter a judgment in the amount of the ~~forfeiture~~ **penalty**. If there is more than

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one (1) party defendant, the ~~forfeiture~~ **penalty** is separately applicable to each defendant. The amount of a ~~forfeiture~~ **penalty** that is collected shall be deposited in the unsafe building fund.

SECTION 69. IC 36-7-9-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 25. (a) Notice of orders, notice of continued hearings without a specified date, notice of a statement that public bids are to be let, and notice of claims for payment must be given by:

- (1) sending a copy of the order or statement by registered or certified mail to the residence or place of business or employment of the person to be notified, with return receipt requested;
- (2) delivering a copy of the order or statement personally to the person to be notified; or
- (3) leaving a copy of the order or statement at the dwelling or usual place of abode of the person to be notified **and sending by first class mail a copy of the order or statement to the last known address of the person to be notified.**

(b) If ~~after a reasonable effort~~, service is not obtained by a means described in subsection (a) **and the hearing authority concludes that a reasonable effort has been made to obtain service**, service may be made by publishing a notice of the order or statement in accordance with IC 5-3-1 in the county where the unsafe premises are located. However, publication may be made on consecutive days. If service of an order is made by publication, the publication must include the information required by subdivisions (1), (2), (4), (5), (6), (7), and (9) of section 5(b) of this chapter, and must also include a statement indicating generally what action is required by the order and that the exact terms of the order may be obtained from the enforcement authority. **The hearing authority may make a determination about whether a reasonable effort has been made to obtain service by the means described in subsection (a) on the basis of information provided by the department (or, in the case of a consolidated city, the enforcement authority). The hearing authority is not required to make the determination at a hearing. The hearing authority must make the determination in writing.**

(c) When service is made by any of the means described in this section, except by mailing or by publication, the person making service must make an affidavit stating that he has made the service, the manner in which service was made, to whom the order or statement was issued, the nature of the order or statement, and the date of service. The affidavit must be placed on file with the enforcement authority.

(d) The date when notice of the order or statement is considered

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given is as follows:

- (1) If the order or statement is delivered personally or left at the dwelling or usual place of abode, notice is considered given on the day when the order or statement is delivered to the person or left at ~~his~~ **the person's** dwelling or usual place of abode.
- (2) If the order or statement is mailed, notice is considered given on the date shown on the return receipt, or, if no date is shown, on the date when the return receipt is received by the enforcement authority.
- (3) Notice by publication is considered given on the date of the second day that publication was made.

~~(e) Notice of orders, notice of continued hearings without a specified date, and notice of a statement that public bids are to be let need not be given to a person holding a property interest in an unsafe premises if:~~

- ~~(1) no instrument reflecting the property interest held by the person is recorded in the recorder's office of the county where the unsafe premises is located;~~
- ~~(2) the order or statement was recorded in accordance with section 26 of this chapter; and~~
- ~~(3) the enforcement authority has received neither written information nor actual notice of the identity of the person who holds a property interest in the unsafe premises.~~

~~(e) A person with a property interest in an unsafe premises who fails to~~ **does not:**

- ~~(1) record an instrument reflecting an the interest in his unsafe premises in the recorder's office of the county where the unsafe premises is located; or~~
- ~~(2) if an instrument reflecting the interest is not recorded, provide to the department (or, in the case of a consolidated city, the enforcement authority) in writing the person's name and address and the location of the unsafe premises;~~

~~is considered to consent to reasonable action taken under this chapter relative to which for which notice would be required and relinquish a claim to notice would otherwise be given. under this chapter.~~

(f) The department (or, in the case of a consolidated city, the enforcement authority) may, for the sake of administrative convenience, publish notice under subsection (b) at the same time notice is attempted under subsection (a). If published notice is given as described in subsection (b), the hearing authority shall subsequently make a determination about whether a reasonable effort has been made to obtain service by the means described in

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subsection (a).

SECTION 70. IC 36-7-14-22.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 22.5. (a) This section applies to the following:**

(1) Real property:

(A) that was acquired by the commission to carry out a redevelopment project, an economic development area project, or an urban renewal project; and

(B) relative to which the commission has, at a public hearing, decided that the real property is not needed to complete the redevelopment activity, an economic development activity, or urban renewal activity in the project area.

(2) Real property acquired under this chapter that is not in a redevelopment project area, economic development area, or an urban renewal project area.

(3) Parcels of property secured from the county under IC 6-1.1-25-9(e) that were acquired by the county under IC 6-1.1-24 and IC 6-1.1-25.

(4) Real property donated or transferred to the commission to be held and disposed of under this section.

However, this section does not apply to property acquired under section 32.5 of this chapter.

(b) The commission may do the following to or for real property described in subsection (a):

(1) Examine, classify, manage, protect, insure, and maintain the property.

(2) Eliminate deficiencies (including environmental deficiencies), carry out repairs, remove structures, and make improvements.

(3) Control the use of the property.

(4) Lease the property.

(5) Use any powers under section 12.2 of this chapter in relation to the property.

(c) The commission may enter into contracts to carry out part or all of the functions described in subsection (b).

(d) The commission may extinguish all delinquent taxes, special assessments, and penalties relative to real property donated to the commission to be held and disposed of under this section. The commission shall provide the county auditor with a list of the real property on which delinquent taxes, special assessments, and

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penalties are extinguished under this subsection.

(e) Real property described in subsection (a) may be sold, exchanged, transferred, granted, donated, or otherwise disposed of in any of the following ways:

(1) In accordance with section 22, 22.2, 22.6, or 22.7 of this chapter.

(2) In accordance with the provisions authorizing an urban homesteading program under IC 36-7-17.

(f) In disposing of real property under subsection (e), the commission may:

(1) group together properties for disposition in a manner that will best serve the interest of the community, from the standpoint of both human and economic welfare; and

(2) group together nearby or similar properties to facilitate convenient disposition.

SECTION 71. IC 36-7-14-22.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 22.6. (a) As used in this section, "abutting landowner" means an owner of property that:

(1) touches, borders on, or is contiguous to the property that is the subject of sale; and

(2) does not constitute a:

(A) public easement; or

(B) public right-of-way.

(b) As used in this section, "offering price" means the appraised value of real property plus all costs associated with the sale, including:

(1) appraisal fees;

(2) title insurance;

(3) recording fees; and

(4) advertising costs.

(c) If the assessed value of a tract of real property to be sold is less than fifteen thousand dollars (\$15,000), based on the most recent assessment of the tract or of the tract of which it was a part before it was acquired, the commission may proceed under this section.

(d) The commission may determine that:

(1) the highest and best use of the tract is sale to an abutting landowner;

(2) the cost to the public of maintaining the tract equals or exceeds the estimated fair market value of the tract; or

(3) it is economically unjustifiable to sell the tract under

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section 22 of this chapter.

(e) Not more than ten (10) days after the commission makes a determination under subsection (d), the commission shall publish a notice in accordance with IC 5-3-1 identifying the tracts intended for sale by legal description and, if possible, by key number and street address. The notice must also include the offering price and a statement that:

- (1) the property may not be sold to a person who is ineligible under IC 36-1-11-16; and
- (2) an offer to purchase the property submitted by a trust (as defined in IC 30-4-1-1(a)) must identify each:
 - (A) beneficiary of the trust; and
 - (B) settlor empowered to revoke or modify the trust.

At the time of publication of notice under this subsection, the commission shall send notice by certified mail to all abutting landowners. This notice shall contain the same information as the published notice.

(f) The commission shall also have each tract appraised. The appraiser must be a person who is professionally engaged in making appraisals, a person licensed under IC 25-34.1, or an employee of the political subdivision who is familiar with the value of the tract. However, if the assessed value of a tract is less than six thousand dollars (\$6,000), based on the most recent assessment of the tract or of the tract of which it was a part before it was acquired, the commission is not required to have the tract appraised.

(g) If, not more than ten (10) days after the date of publication of the notice under subsection (e), the commission receives one (1) or more eligible offers to purchase a tract listed in the notice at or in excess of the offering price, the commission shall conduct the negotiation and sale of the tract under section 22(f), 22(g), and 22(i) of this chapter.

(h) Notwithstanding subsection (g), if not more than ten (10) days after the date of publication of the notice under subsection (e) the commission does not receive from any person other than an abutting landowner an eligible offer to purchase the tract at or in excess of the offering price, the commission shall conduct the negotiation and sale of the tract as follows:

- (1) If only one (1) eligible abutting landowner makes an eligible offer to purchase the tract, then subject to IC 36-1-11-16 and without further appraisal or notice, the commission shall offer to negotiate for the sale of the tract

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with that abutting landowner.

(2) If more than one (1) eligible abutting landowner submits an eligible offer to purchase the tract, the tract shall be sold to the eligible abutting landowner who submits the highest eligible offer for the tract and who complies with any requirement under subsection (e)(2).

(3) If no eligible abutting landowner submits an eligible offer to purchase the tract, the commission may sell the tract to any person who submits the highest eligible offer for the tract, except a person who is ineligible to purchase the tract under IC 36-1-11-16.

SECTION 72. IC 36-7-14-22.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 22.7. (a) The commission may dispose of real property to which section 22.5 of this chapter applies by following the procedure set forth in this section.**

(b) The commission shall first have the property appraised by two (2) appraisers. The appraisers must be:

- (1) persons who are professionally engaged in making appraisals;**
- (2) persons who are licensed under IC 25-34.1; or**
- (3) employees of the political subdivision familiar with the value of the property.**

The appraisers shall make a joint appraisal of the property.

(c) The commission may:

- (1) negotiate a sale or transfer; and**
- (2) dispose of the property;**

at a value that is not less than the appraised value determined under subsection (b).

(d) Disposal of real property under this chapter is subject to the approval of the commission. The commission may not approve a disposal of property without conducting a public hearing after giving notice under IC 5-3-1.

(e) In addition to any other reason for disapproving a disposal of property under this section, the commission may disapprove a sale of a tract of residential property to any bidder who does not by affidavit declare that the bidder will reside on that property for at least one (1) year after the bidder obtains possession of the property.

SECTION 73. IC 36-7-15.1-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 15.5. (a) This section applies to**

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the following:

(1) Real property:

(A) that was acquired by the commission to carry out a redevelopment project, an economic development area project, or an urban renewal project; and

(B) relative to which the commission has, at a public hearing, decided that the real property is not needed to complete the redevelopment activity, an economic development area activity, or urban renewal activity in the project area.

(2) Real property acquired under this chapter that is not in a redevelopment project area, an economic development area, or an urban renewal project area.

(3) Parcels of property secured from the county under IC 6-1.1-25-9(e) that were acquired by the county under IC 6-1.1-24 and IC 6-1.1-25.

(4) Real property donated or transferred to the commission to be held and disposed of under this section.

However, this section does not apply to property acquired under section 22.5 of this chapter.

(b) The commission may do the following to or for real property described in subsection (a):

(1) Examine, classify, manage, protect, insure, and maintain the property.

(2) Eliminate deficiencies (including environmental deficiencies), carry out repairs, remove structures, and make improvements.

(3) Control the use of the property.

(4) Lease the property.

(5) Use any powers under section 7(a) or 7(b) of this chapter in relation to the property.

(c) The commission may enter into contracts to carry out part or all of the functions described in subsection (b).

(d) The commission may extinguish all delinquent taxes, special assessments, and penalties relative to real property donated to the commission to be held and disposed of under this section. The commission shall provide the county auditor with a list of the real property on which delinquent taxes, special assessments, and penalties are extinguished under this subsection.

(e) Real property described in subsection (a) may be sold, exchanged, transferred, granted, donated, or otherwise disposed of in any of the following ways:

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(1) In accordance with section 15, 15.1, 15.2, 15.6, or 15.7 of this chapter.

(2) In accordance with the provisions authorizing an urban homesteading program under IC 36-7-17.

(f) In disposing of real property under subsection (e), the commission may:

(1) group together properties for disposition in a manner that will best serve the interest of the community, from the standpoint of both human and economic welfare; and

(2) group together nearby or similar properties to facilitate convenient disposition.

SECTION 74. IC 36-7-15.1-15.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 15.6. (a) As used in this section, "abutting landowner" means an owner of property that:**

(1) touches, borders on, or is contiguous to the property that is the subject of sale; and

(2) does not constitute a:

(A) public easement; or

(B) public right-of-way.

(b) As used in this section, "offering price" means the appraised value of real property plus all costs associated with the sale, including:

(1) appraisal fees;

(2) title insurance;

(3) recording fees; and

(4) advertising costs.

(c) If the assessed value of a tract of real property to be sold is less than fifteen thousand dollars (\$15,000), based on the most recent assessment of the tract or of the tract of which it was a part before it was acquired, the commission may proceed under this section.

(d) The commission may determine that:

(1) the highest and best use of the tract is sale to an abutting landowner;

(2) the cost to the public of maintaining the tract equals or exceeds the estimated fair market value of the tract; or

(3) it is economically unjustifiable to sell the tract under section 15 of this chapter.

(e) Not more than ten (10) days after the commission makes a determination under subsection (d), the commission shall publish a notice in accordance with IC 5-3-1 identifying the tracts intended

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for sale by legal description and, if possible, by key number and street address. The notice must also include the offering price and a statement that:

- (1) the property may not be sold to a person who is ineligible under IC 36-1-11-16; and
- (2) an offer to purchase the property submitted by a trust (as defined in IC 30-4-1-1(a)) must identify each:
 - (A) beneficiary of the trust; and
 - (B) settlor empowered to revoke or modify the trust.

At the time of publication of notice under this subsection, the commission shall send notice by certified mail to all abutting landowners. This notice shall contain the same information as the published notice.

(f) The commission shall also have each tract appraised. The appraiser must be a person who is professionally engaged in making appraisals, a person licensed under IC 25-34.1, or an employee of the political subdivision who is familiar with the value of the tract. However, if the assessed value of a tract is less than six thousand dollars (\$6,000), based on the most recent assessment of the tract or of the tract of which it was a part before it was acquired, the commission is not required to have the tract appraised.

(g) If, not more than ten (10) days after the date of publication of the notice under subsection (e), the commission receives one (1) or more eligible offers to purchase a tract listed in the notice at or in excess of the offering price, the commission shall conduct the negotiation and sale of the tract under section 15(f), 15(g), and 15(i) of this chapter.

(h) Notwithstanding subsection (g), if not more than ten (10) days after the date of publication of the notice under subsection (e) the commission does not receive from any person other than an abutting landowner an eligible offer to purchase the tract at or in excess of the offering price, the commission shall conduct the negotiation and sale of the tract as follows:

- (1) If only one (1) eligible abutting landowner makes an eligible offer to purchase the tract, then subject to IC 36-1-11-16 and without further appraisal or notice, the commission shall offer to negotiate for the sale of the tract with that abutting landowner.
- (2) If more than one (1) eligible abutting landowner submits an eligible offer to purchase the tract, the tract shall be sold to the eligible abutting landowner who submits the highest

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eligible offer for the tract and who complies with any requirement under subsection (e)(2).

(3) If no eligible abutting landowner submits an eligible offer to purchase the tract, the commission may sell the tract to any person who submits the highest eligible offer for the tract, except a person who is ineligible to purchase the tract under IC 36-1-11-16.

SECTION 75. IC 36-7-15.1-15.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 15.7. (a) The commission may dispose of real property to which section 15.5 of this chapter applies by following the procedure set forth in this section.

(b) The commission shall first have the property appraised by two (2) appraisers. The appraisers must be:

- (1) persons professionally engaged in making appraisals;
- (2) persons licensed under IC 25-34.1; or
- (3) employees of the political subdivision familiar with the value of the property.

The appraisers shall make a joint appraisal of the property.

(c) The commission may:

- (1) negotiate a sale or transfer; and
- (2) dispose of the property;

at a value that is not less than the appraised value determined under subsection (b).

(d) Disposal of real property under this chapter is subject to the approval of the commission. The commission may not approve a disposal of property without conducting a public hearing after giving notice under IC 5-3-1.

(e) In addition to any other reason for disapproving a disposal of property under this section, the commission may disapprove a sale of a tract of residential property to any bidder who does not by affidavit declare that the bidder will reside on that property for at least one (1) year after the bidder obtains possession of the property.

SECTION 76. IC 36-7-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) The agency designated or established in section 2 of this chapter may acquire real property in the name of the unit, for use as provided in this chapter.

(b) Under IC 6-1.1-24-4.5, the county auditor shall provide a list of real property on which one (1) or more installments of taxes are delinquent.

(c) Under IC 6-1.1-25-1 and IC 6-1.1-25-4, the agency may acquire

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the deed for real property purchased at tax sale for the purposes of this chapter one hundred twenty (120) days after the date of sale, after compliance with the notice provisions of IC 6-1.1-25-4.5.

~~(d) Under IC 6-1.1-24-6.5, the agency may acquire the deed for real property that was offered for sale but for which an adequate bid under IC 6-1.1-24-5(e) was not received by identifying the properties that the agency desires to acquire for urban homesteading or redevelopment purposes.~~

~~(e)~~ (d) Under IC 6-1.1-25-7.5, the agency may acquire the deed for real property for which the holder of the certificate of sale has failed to request that the county auditor execute and deliver a deed within one hundred twenty (120) days after issuance of the certificate.

~~(f)~~ (e) In addition to real property acquired through tax sale for the purposes of this chapter, the agency may acquire real property by purchase or gift.

SECTION 77. IC 36-7-17-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. (a) A property for which no one applies in two (2) successive drawings held under this chapter may be sold at public auction to the highest bidder.

(b) The proceeds of the sale of real property acquired under ~~IC 6-1.1-24-6.5~~ or IC 6-1.1-25-7.5 shall be applied to the cost of the sale, including advertising and appraisal.

(c) If any proceeds remain after payment of the costs under subsection (b), the proceeds shall be applied to the payment of taxes removed from the tax duplicate under ~~IC 6-1.1-24-6.5(e)~~ or IC 6-1.1-25-7.5(e).

(d) If any proceeds remain after payment of the taxes under subsection (c), the proceeds shall be deposited in the county general fund.

SECTION 78. IC 36-8-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) A majority of the members of the safety board constitutes a quorum. The board shall adopt rules concerning the time of holding regular and special meetings and of giving notice of them. The board shall elect one (1) of its members chairman, who holds the position as long as prescribed by the rules of the board. The board shall record all of its proceedings.

(b) The members of the safety board may act only as a board. No member may bind the board or the city except by resolution entered in the records of the board authorizing ~~him~~ **the member** to act in its behalf as its authorized agent.

(c) The safety board shall appoint:

(1) the members and other employees of the police department

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- other than those in an upper level policymaking position;
- (2) the members and other employees of the fire department other than those in an upper level policymaking position;
- (3) a market master; and
- (4) other officials that are necessary for public safety purposes.

(d) The annual compensation of all members of the police and fire departments and other appointees shall be fixed by ordinance of the legislative body ~~before~~

~~(1) September 20 for a second class city; and~~

~~(2) September 20 for a third class city;~~

not later than September 30 of each year for the ensuing budget year. The ordinance may grade the members of the departments and regulate their pay by rank as well as by length of service. If the legislative body fails to adopt an ordinance fixing the compensation of members of the police or fire department, the safety board may fix their compensation, subject to change by ordinance.

(e) The safety board, subject to ordinance, may also fix the number of members of the police and fire departments and the number of appointees for other purposes and may, subject to law, adopt rules for the appointment of members of the departments and for their government.

(f) The safety board shall divide the city into police precincts and fire districts.

(g) The police chief has exclusive control of the police department, and the fire chief has exclusive control of the fire department, subject to the rules and orders of the safety board. In time of emergency, the police chief and the fire chief are, for the time being, subordinate to the city executive and shall obey ~~his~~ **the city executive's** orders and directions, notwithstanding any law or rule to the contrary.

SECTION 79. IC 36-9-3-5, AS AMENDED BY P.L.114-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) An authority is under the control of a board (referred to as "the board" in this chapter) that, except as provided in subsections (b) and (c), consists of:

- (1) two (2) members appointed by the executive of each county in the authority;
- (2) one (1) member appointed by the executive of the largest municipality in each county in the authority;
- (3) one (1) member appointed by the executive of each second class city in a county in the authority; and
- (4) one (1) member from any other political subdivision that has public transportation responsibilities in a county in the authority.

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(b) An authority that includes a consolidated city is under the control of a board consisting of the following:

- (1) Two (2) members appointed by the executive of the county having the consolidated city.
- (2) One (1) member appointed by the board of commissioners of the county having the consolidated city.
- (3) One (1) member appointed by the executive of each other county in the authority.
- (4) Two (2) members appointed by the governor from a list of at least five (5) names provided by the Indianapolis regional transportation council.
- (5) One (1) member representing the four (4) largest municipalities in the authority located in a county other than a county containing a consolidated city. The member shall be appointed by the executives of the municipalities acting jointly.
- (6) One (1) member representing the excluded cities located in a county containing a consolidated city that are members of the authority. The member shall be appointed by the executives of the excluded cities acting jointly.
- (7) One (1) member of a labor organization representing employees of the authority who provide public transportation services within the geographic jurisdiction of the authority. The labor organization shall appoint the member.

(c) An authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) is under the control of a board consisting of the following ~~sixteen (16)~~ **twenty-one (21)** members:

- (1) Three (3) members appointed by the executive of a city with a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).
- (2) Two (2) members appointed by the executive of a city with a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).
- (3) One (1) member jointly appointed by the executives of the following municipalities located within a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):
 - (A) A city with a population of more than five thousand one hundred thirty-five (5,135) but less than five thousand two hundred (5,200).
 - (B) A city with a population of more than thirty-two thousand (32,000) but less than thirty-two thousand eight hundred

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(32,800).

(4) One (1) member who is jointly appointed by the fiscal body of the following municipalities located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) A town with a population of more than fifteen thousand (15,000) but less than twenty thousand (20,000).

(B) A town with a population of more than twenty-three thousand (23,000) but less than twenty-four thousand (24,000).

(C) A town with a population of more than twenty thousand (20,000) but less than twenty-three thousand (23,000).

(5) One (1) member who is jointly appointed by the fiscal body of the following municipalities located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) A town with a population of more than eight thousand (8,000) but less than nine thousand (9,000).

(B) A town with a population of more than twenty-four thousand (24,000) but less than thirty thousand (30,000).

(C) A town with a population of more than twelve thousand five hundred (12,500) but less than fifteen thousand (15,000).

(6) One (1) member who is jointly appointed by the following authorities of municipalities located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) The executive of a city with a population of more than nineteen thousand eight hundred (19,800) but less than twenty-one thousand (21,000).

(B) The fiscal body of a town with a population of more than nine thousand (9,000) but less than twelve thousand five hundred (12,500).

(C) The fiscal body of a town with a population of more than five thousand (5,000) but less than eight thousand (8,000).

(D) The fiscal body of a town with a population of less than one thousand five hundred (1,500).

(E) The fiscal body of a town with a population of more than two thousand two hundred (2,200) but less than five thousand (5,000).

(7) One (1) member appointed by the fiscal body of a town with a population of more than thirty thousand (30,000) located within a county with a population of more than four hundred thousand

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(400,000) but less than seven hundred thousand (700,000).

(8) One (1) member who is jointly appointed by the following authorities of municipalities that are located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) The executive of a city having a population of more than twenty-five thousand (25,000) but less than twenty-seven thousand (27,000).

(B) The executive of a city having a population of more than thirteen thousand nine hundred (13,900) but less than fourteen thousand two hundred (14,200).

(C) The fiscal body of a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200).

(9) Three (3) members appointed by the fiscal body of a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(10) One (1) member appointed by the county executive of a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(11) One (1) member of a labor organization representing employees of the authority who provide public transportation services within the geographic jurisdiction of the authority. The labor organization shall appoint the member. If more than one (1) labor organization represents the employees of the authority, each organization shall submit one (1) name to the governor, and the governor shall appoint the member from the list of names submitted by the organizations.

(12) The executive of a city with a population of more than twenty-seven thousand four hundred (27,400) but less than twenty-eight thousand (28,000), located within a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), or the executive's designee.

(13) The executive of a city with a population of more than thirty-three thousand (33,000) but less than thirty-six thousand (36,000), located within a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), or the executive's designee.

(14) One (1) member of the board of commissioners of a county with a population of more than one hundred forty-five thousand

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(145,000) but less than one hundred forty-eight thousand (148,000), appointed by the board of commissioners, or the member's designee.

(15) One (1) member appointed jointly by the township executive of the township containing the following towns:

- (A) Chesterton.**
- (B) Porter.**
- (C) Burns Harbor.**
- (D) Dune Acres.**

The member appointed under this subdivision must be a resident of a town listed in this subdivision.

(16) One (1) member appointed jointly by the township executives of the following townships located in Porter County:

- (A) Washington Township.**
- (B) Morgan Township.**
- (C) Pleasant Township.**
- (D) Boone Township.**
- (E) Union Township.**
- (F) Porter Township.**
- (G) Jackson Township.**
- (H) Liberty Township.**
- (I) Pine Township.**

The member appointed under this subdivision must be a resident of a township listed in this subdivision.

SECTION 80. IC 36-9-3-9, AS AMENDED BY P.L.114-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) A majority of the members appointed to the board constitutes a quorum for a meeting.

(b) Except as provided in ~~subsections~~ **subsection (c), and (d)**; the board may act officially by an affirmative vote of a majority of those present at the meeting at which the action is taken.

(c) If the authority includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), then:

- (1) an affirmative vote of a majority of the board is necessary for an action to be taken; and
- (2) a vacancy in membership does not impair the right of a quorum to exercise all rights and perform all duties of the board.

~~(d) This section applies to an authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). A member described in~~

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section 5(c)(12); 5(c)(13); or 5(c)(14) of this chapter may not vote on the distribution or payment of money by the authority unless a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000) pays to the authority the county's share of the authority's budget under this chapter and as agreed by the counties participating in the authority.

SECTION 81. IC 36-9-30-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 26. When the execution of a lease is authorized under section 25 of this chapter, the board shall give at least ~~thirty (30)~~ **ten (10)** days' notice of the date upon which the lease will be executed. The notice shall be published one (1) time in the manner prescribed by IC 5-3-1. An action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease may not be brought after the execution of the lease.

SECTION 82. IC 36-9-39.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]:

Chapter 39.1. Alternative Assessment Financing for Municipal Sewage Works

Sec. 1. This chapter applies to all municipalities.

Sec. 2. As used in this chapter, "board" means the following:

- (1) A board described in IC 36-9-23-5.
- (2) A board described in IC 36-9-25-2.

Sec. 3. As used in this chapter, "fund" refers to a sewer improvement and extension fund established under section 5 of this chapter.

Sec. 4. If a board wants to construct, repair, extend, or improve a sewage works, the board may adopt a resolution providing that the construction, repair, extension, or improvement will be financed under this chapter.

Sec. 5. (a) A municipality may adopt an ordinance establishing a sewer improvement and extension fund to finance the construction, repair, extension, or improvement of a sewage works.

(b) A fund consists of the following:

- (1) A special assessment imposed and collected under section 7 of this chapter. However, a special assessment imposed and collected under any other statute may not be deposited in the fund.
- (2) An appropriation to the fund, including an appropriation made from taxes levied by a municipal legislative body for the construction, repair, extension, or improvement of a sewage works.

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Sec. 6. (a) The legislative body of a municipality that establishes a fund may appropriate money from the municipal general fund and transfer the money to the fund.

(b) During the fiscal year in which a municipality establishes a fund, the legislative body of the municipality may make an emergency appropriation from the municipal general fund and transfer the money to the fund.

Sec. 7. (a) A board may adopt an ordinance or a resolution to appropriate money from funds under the board's control to pay for all or part of the cost of the construction, repair, extension, or improvement of a sewage works.

(b) Any costs not paid under subsection (a) must be paid by:

- (1)** an assessment imposed under subsection (c) against the benefited properties; or
- (2)** a contract under IC 36-9-22.

Any interest or penalties attributable to an assessment under this section must be deposited in the fund.

(c) The board may adopt a resolution to impose an assessment to finance the construction, repair, extension, or improvement of a sewage works. The assessment must be imposed and collected as provided by the street and sewer improvement statutes.

Sec. 8. (a) A contract for the construction, repair, extension, or improvement of a sewage works is subject to the statutes authorizing municipalities to make and finance public improvements.

(b) Upon awarding a contract for the construction, repair, extension, or improvement of a sewage works under this chapter, a board shall:

- (1)** carefully compute the entire cost of the construction, repair, extension, or improvement, including payments to the contractor and all incidental costs, expenses, and damages paid and incurred according to law; and
- (2)** prepare and make out an assessment roll listing the assessments against the properties benefited.

In determining and fixing the amount of assessments, the giving of notice of assessments, the holding of public hearings, and the making of final determinations, subject to the right of appeal from those determinations, the board is governed by the street and sewer improvement statutes.

(c) An assessment under this chapter is a lien against the benefited property from the time of the letting of the contract and shall be collected in the manner provided for collection of Barrett

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Law assessments.

(d) The board shall fix a period of not more than twenty (20) years within which the assessments shall be paid.

(e) A property owner liable for an assessment may execute a waiver in the manner provided by the street and sewer improvement statutes to pay the assessment in annual installments over a period fixed by the board.

(f) All payments under this chapter are deposited into the fund.

SECTION 83. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2007]: IC 6-1.1-24-4.1; IC 6-1.1-24-5.5; IC 6-1.1-24-6.5.

SECTION 84. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2006]: IC 12-20-21-4; IC 12-20-23; IC 12-20-24-2; IC 12-20-24-3; IC 12-20-24-4.

SECTION 85. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "member" refers to a person appointed under subsection (c)(3) or (c)(4) or to a legislator whose district includes all or part of Lake County, Porter County, LaPorte County, St. Joseph County, or Elkhart County.

(b) The northwest Indiana transportation study commission is established.

(c) The commission consists of fourteen (14) voting members appointed as follows:

(1) Six (6) members of the senate, not more than three (3) of whom may be members of the same political party, appointed by the president pro tempore of the senate.

(2) Six (6) members of the house of representatives, not more than three (3) of whom may be members of the same political party, appointed by the speaker of the house of representatives.

(3) One (1) individual who is not a legislator, appointed by the northwestern Indiana regional planning commission.

(4) One (1) individual who is not a legislator, appointed by the Michiana Area Council of Governments.

(d) The chairman of the legislative council shall select one (1) member of the commission to serve as chairperson of the commission, and the vice chairman of the legislative council shall select one (1) member of the commission to serve as vice chairperson of the commission.

(e) The commission shall:

(1) monitor the development of commuter transportation and rail service in the Lowell-Chicago and Valparaiso-Chicago corridors;

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(2) study all aspects of regional mass transportation and road and highway needs in Lake County, Porter County, LaPorte County, St. Joseph County, and Elkhart County;

(3) study northwest Indiana transportation, infrastructure, and economic development issues; and

(4) study other topics as assigned by the legislative council.

(f) The commission shall submit a final report of the commission's findings and recommendations to the legislative council before November 1, 2009. The report must be in an electronic format under IC 5-14-6.

(g) The commission shall operate under the rules of the legislative council.

(h) This SECTION expires November 2, 2009.

SECTION 86. An emergency is declared for this act.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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